Annual Report 2018-2019

LEADERSHIP IS DESTINED FOR THOSE WHO FOCUS

Nilkamal®

We are immensely proud of our founders, Mr. Vaman Parekh (Chairman) and Mr. Sharad Parekh (Managing Director) for being awarded the honorable 'Lifetime Achievement Award' at the Economic Times Polymers Awards 2019.

The award honors the achievements of our founders in the Indian Plastic Processing Industry across different sectors. They are truly our inspiration.

Board of Directors

Mr. Vamanrai V. Parekh	-	Chairman
Mr. Sharad V. Parekh	-	Managing Director
Mr. Hiten V. Parekh	-	Joint Managing Director
Mr. Manish V. Parekh	-	President and Executive Director
Mr. Nayan S. Parekh	-	President and Executive Director
Ms. Hiroo Mirchandani	-	Director
Mr. K. R. Ramamoorthy	-	Director
Mr. K. Venkataramanan	-	Director
Mr. Mahendra V. Doshi	-	Director
Mr. Mufazzal S. Federal	-	Director
Mr. S. K. Palekar	-	Director

Chief Financial Officer

Mr. Paresh B. Mehta

Company Secretary and Compliance Officer

Ms. Priti P. Dave

Bankers

• State Bank of India • Corporation Bank
• IDBI Bank Limited • DBS Bank Limited

Auditors

M/s. B S R & Co. LLP

Plant Locations: -

1) Barjora, West Bengal
2) Bhiwandi, Maharashtra
3) Dharuhera, Haryana
4) Hosur, Tamilnadu
5) Jammu, Jammu & Kashmir
6) Kharadpada, Union Territory of Dadra & Nagar Haveli
7) Noida, Uttar Pradesh
8) Puducherry
9) Sinnar, Maharashtra
10) Vasona, Union Territory of Dadra & Nagar Haveli

Registered Office

Survey No. 354/2 and 354/3, Near Rakholi Bridge,
Silvassa Khanvel Road, Vasona, Silvassa 396 230,
Union Territory of Dadra and Nagar Haveli.

Corporate Office

Nilkamal House, 77/78, Road No.13/14, MIDC,
Andheri (E), Mumbai – 400 093, Maharashtra.

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NOTICE is hereby given that the Thirty Third Annual General Meeting of the Members of Nilkamal Limited will be held at the Registered Office of the Company at Survey No. 354/2 & 354/3, Near Rakholi Bridge, Silvassa - Khanvel Road, Vasona, Silvassa – 396 230, Union Territory of Dadra & Nagar Haveli, on Friday, June 28, 2019 at 12.00 noon to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements including the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2019, together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare Dividend on equity shares for the year ended March 31, 2019.
3. To appoint a Director in place of Mr. Hiten V. Parekh (DIN: 00037550), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. B. F. Modi and Associates, Cost Accountants (Firm Registration No. 6955) appointed by the Board of Directors as Cost Auditors of the Company to conduct audit of cost records of the Company for the financial year 2019-2020 at remuneration of ₹ 3.50 Lakhs (Rupees Three Lakhs Fifty Thousand Only) plus taxes and reimbursement of out of pocket expenses at actual, be and is hereby ratified and confirmed."

5. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to applicable provisions of the Companies Act, 2013 and rules made thereunder including any statutory modification(s) or re-enactment thereof, Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, consent be and is hereby accorded for continuation of Directorship of Mr. K. Venkataramanan (DIN 00001647) as an Independent Director of the Company, after attaining the age of 75 years till the completion of his present term i.e. upto the conclusion of the Thirty Fourth Annual General Meeting to be held in calendar year 2020.

   RESOLVED FURTHER THAT the Board of Directors or any other person authorized by the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution."

6. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 149, and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Mahendra V. Doshi (DIN 00123243), Independent Director of the Company, who holds office of Independent Director upto the conclusion of the Annual General Meeting to be held in the calendar year 2019, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013, from a member proposing his candidature for the office of Director of the Company, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five years from the date of the Annual General Meeting of the Company to be held in the calendar year 2019.

   RESOLVED FURTHER THAT the Board of Directors or any other person authorized by the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution."

7. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 149, and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Mufazzal S. Federal (DIN 03409798), Independent Director of the Company, who holds office of Independent Director upto the conclusion of the Annual General Meeting to be held in the calendar year 2019, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013, from a member proposing his candidature for the office of Director of the Company, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five years from the date of the Annual General Meeting of the Company to be held in the calendar year 2019.

RESOLVED FURTHER THAT the Board of Directors or any other person authorized by the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution."

8. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 149, and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. S. K. Palekar (DIN 01723670), Independent Director of the Company, who holds office of Independent Director upto the conclusion of the Annual General Meeting to be held in the calendar year 2019, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013, from a member proposing his candidature for the office of Director of the Company, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five years from the date of the Annual General Meeting of the Company to be held in the calendar year 2019.

   RESOLVED FURTHER THAT the Board of Directors or any other person authorized by the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution."

9. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") (including any amendment, modification or re-enactment thereof) and rules made there under and Schedule V thereto and Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force), consent be and is hereby accorded for continuation of payment of remuneration to Mr. Sharad V. Parekh, Managing Director, Mr. Hiten V. Parekh, Jt. Managing Director, Mr. Manish V. Parekh, President and Executive Director (Furniture) and Mr. Nayan S. Parekh, President and Executive Director (Material Handling) as per the existing terms and conditions as approved by the shareholders at the Annual General Meeting held on August 4, 2015 notwithstanding that:

   i) annual remuneration to each of them exceeding ₹ 5 Crores or 2.5 per cent of the net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013, whichever is higher; or

   ii) their aggregate annual remuneration exceeding 5 per cent of the net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013, till the expiry of their current term i.e. up to March 31, 2020.

   RESOLVED FURTHER THAT the Board of Directors or any other person authorized by the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution."

By order of the Board
For Nilkamal Limited

Place: Mumbai
Date: May 11, 2019

Priti P. Dave
Company Secretary

Notes:

1. The Explanatory Statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013 in respect of the businesses at Item Nos. 4 to 9 above is annexed hereto and forms a part of the Notice.
2. The relevant details of persons seeking re-appointment under Item No. 3 and Item Nos. 5 to 8 of the Notice, as required pursuant to Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings is also annexed.
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES TO BE EFFECTIVE, SHOULD BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

   A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
4. Corporate members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from June 22, 2019 to June 28, 2019, both days inclusive.
6. The final dividend, as recommended by the Board, if approved at the Annual General Meeting (AGM), in respect of equity shares held in electronic form will be payable to the beneficial owners of shares as on June 21, 2019 as per the downloads furnished to the Company by Depositories for this purpose. In case of shares held in physical form, dividend will be paid to the shareholders, whose names shall appear in the Register of Members after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on June 21, 2019.
7. Members holding shares in dematerialized form are requested to register their latest Bank Account details (Core Banking Solutions enabled Account Number, 9 digit MICR and 11 digit IFSC code) with their Depository Participant. Members holding shares in physical form are requested to provide the above details, along with their Folio Number, to the Company's Registrar and Transfer Agents, M/s. Link Intime India Private Limited.
8. Members holding shares in dematerialized form are requested to intimate any changes pertaining to their name, address, registered email id, bank details, NECS, mandates, nominations, power of attorney, etc. to their Depository Participant. Changes intimated to the Depository Participant will be automatically reflected in the Company's records. Members holding shares in physical form are requested to intimate any of the above mentioned changes, alongwith the request for merging of folio etc., to the Company's Registrar and Transfer Agents, M/s. Link Intime India Private Limited.
9. For the purpose of availing Nomination facility, members holding shares in dematerialised form are required to lodge the nomination with their Depository Participant and members holding shares in physical form are required to fill and submit Form SH-13 (available on request) with the Company's Registrar and Transfer Agents, M/s. Link Intime India Private Limited.
10. SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.
11. Members, wishing to claim dividends, which remain unclaimed for the financial years 2011-2012 onwards, are requested to write to the Company's Registrar and Transfer Agents, M/s. Link Intime India Private Limited at C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai: 400083. It may be noted that once such unclaimed dividends are transferred on expiry of seven years to the Investor Education and Protection Fund, no claim shall lie in respect thereof. Further, shares on which the dividend remains unclaimed for seven consecutive years will also be transferred to the IEPF Suspense Account in accordance with the Section 124 of the Act, and the applicable Rules. The shares transferred to the IEPF Suspense Account can be claimed back by the concerned shareholders from the IEPF Authority after complying with the procedure prescribed under the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund)Rules, 2016.
12. Any request for revalidation of dividend warrant(s) by any member of the Company may be directed to the Company or its Registrar and Transfer Agents, M/s. Link Intime India Private Limited.
13. The Notice of the 33rd AGM and instructions for e-voting, along with the Attendance slip and Proxy form, is being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s), unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the documents are being sent by the permitted mode.

The Annual Report 2018-2019 of the Company, circulated to the members of the Company, is also available on the Company's website at www.nilkamal.com.

14. Members desiring any information as regards the Accounts are requested to write to the Company at its Corporate Office at least 10 days prior to the date of AGM so as to enable the Management to keep the information ready.
15. Members /Proxies should bring duly filled Attendance Slips sent herewith to attend the Meeting. Members holding equity shares in electronic form, and proxies thereof, are requested to bring their DP ID and client ID for identification.
16. Voting through electronic means:

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Amendment Rules, 2015 and the Regulation 44(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the AGM by electronic means through remote e-voting platform provided by Link Intime India Private Limited (LIIPL). The facility for voting, through ballot paper, will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again.

The voting period begins on June 25, 2019 at 10.00 am and ends on June 27, 2019 at 5.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of June 21, 2019 may cast their vote electronically. The e-voting module shall be disabled by LIIPL for voting thereafter.

The instructions for shareholders voting electronically are as under:

(i) Visit the e-voting system of LIIPL. Open web browser by typing the following URL: https://instavote.linkintime.co.in

(ii) Click on "Login" tab, available under 'Shareholders' section.

(iii) Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".

(iv) Your User ID details are given below:

(a) Shareholders holding shares in demat account with NSDL: Your User ID is 8 Character DP ID followed by 8 Digit Client ID.

(b) Shareholders holding shares in demat account with CDSL: Your User ID is 16 Digit Beneficiary ID.

(c) Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company.

(v) Your Password details are given below:

If you are using e-Voting system of LIIPL: https://instavote.linkintime.co.in for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on "Sign Up" tab available under 'Shareholders' section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

	For Shareholders holding shares in Demat Form or Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders). • Members who have not updated their PAN with depository Participant or in the company record are requested to use the sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field.
DOB/ DOI	Enter the DOB (Date of Birth)/ DOI (Date of Incorporation) as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.
Bank Account Number	Enter the Bank Account number as recorded in your demat account or in the company records for the said demat account or folio number. • Please enter the DOB/ DOI or Bank Account number in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Bank Account number field as mentioned in instruction (iv-c).

If you are holding shares in demat form and had registered on to e-Voting system of LIIPL: https://instavote.linkintime.co.in, and/or voted on an earlier voting of any company then you can use your existing password to login.

If Shareholders holding shares in Demat Form or Physical Form have forgotten password:

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

Incase shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)

NOTE**:** The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LIIPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- **Cast your vote electronically**

(vi) After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View "Event No" of the company, you choose to vote.

(vii) On the voting page, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

Cast your vote by selecting appropriate option i.e. Favour/Against as desired.

Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/Against'.

(viii) If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.

(ix) After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "YES", else to change your vote, click on "NO" and accordingly modify your vote.

(x) Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

(xi) You can also take the printout of the votes cast by you by clicking on "Print" option on the Voting page.

(xii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIIPL: https://instavote.linkintime.co.in and register themselves as **'Custodian / Mutual Fund / Corporate Body'.**

They are also required to upload a scanned certified true copy of the board resolution /authority letter/ power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the **'Custodian / Mutual Fund / Corporate Body' login** for the Scrutinizer to verify the same.

(xiii) During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".

(xiv) Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

(xv) In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at https://instavote.linkintime.co.in , under Help section or write an email to enotices@linkintime.co.in or Call us :- Tel : 022 - 49186000.

(xvi) **General Instructions:**

a) The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date i.e. June 21, 2019. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. June 21, 2019 only shall be entitled to avail the facility of remote e-voting or voting at the AGM through ballot paper.

b) Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of the cut-off date of June 21, 2019, may obtain the login ID and password by sending a request at insta.vote@linkintime.co.in or calling on 022-49186000.

c) Mr. Pratik M. Shah, Practicing Company Secretary (Membership No. FCS 7431), has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

d) At the AGM, at the end of the discussion on the resolutions on which voting is to be held, the Chairman shall, with the assistance of the Scrutinizer, order voting through ballot paper for all those members who are present but have not cast their votes electronically using the remote e-voting facility.

e) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses not in employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favor of or against, if any, not later than three days after the conclusion of the AGM to the Chairman of the Company. The Chairman, or any other person authorized by the Chairman, shall declare the result of the voting forthwith.

The result, along with the Scrutinizer's Report, will be placed on the Company's website, www.nilkamal.com and on the website of LIIPL immediately after the result is declared by the Chairman or any other person authorized by the Chairman, and the same shall be communicated to the Stock Exchanges.

By order of the Board
For Nilkamal Limited

Place: Mumbai **Priti P. Dave**
Date: May 11, 2019 **Company Secretary**

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 4

The Board of Directors of the Company, on the recommendation of the Audit Committee, had approved the appointment and remuneration of M/s. B. F. Modi and Associates to conduct the audit of the Cost Records of the Company for the financial year 2019-2020. In terms of provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor alongwith the reimbursement of expenses incurred towards the audit is required to be ratified by the Members of the Company. Accordingly, consent of the Members is sought to ratify the remuneration payable to the Cost Auditors.

No Director, Key Managerial Personnel or their relatives, are interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No. 4 for the approval of the members.

Item No. 5

The Members of the Company on 8th August, 2017 approved the appointment of Mr. K. Venkataramanan as an Independent Director of the Company for a period of three years i.e. upto the conclusion of the Thirty Fourth Annual General Meeting to be held in the calendar year 2020.

In terms of the recently notified Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, consent of the Members by way of Special Resolution is required for continuation of an Independent Director beyond the age of 75 years. Mr. K. Venkataramanan will be attaining the age of 75 years on December 11, 2019 and hence his continuation beyond 75 years would require the approval of members by way of a Special resolution.

Mr. K. Venkataramanan is a distinguished Alumni of IIT, Delhi. He was associated with L&T for over four decades, and was appointed as Chief Executive Officer and Managing Director on April 1, 2012 and retired from the said position on September 30, 2015. He is the first Asian to become the Chairman of the Board of Directors of the Engineering & Construction Risk Institute Inc., USA. He is an Honorary Fellow of the Institute of Chemical Engineers, UK - the world's most reputed body in chemical engineering space. He is also a Fellow of the Indian Institute of Chemical Engineers and was the Chairman of the Capital Goods Committee of FICCI. He has received numerous awards and accolades at national and international levels. His expertise and contribution to the Company on business strategy and finance is of immense value to the Company.

The Board at its meeting held on May 11, 2019, based on the outcome of the performance evaluation exercise, skills, experience, knowledge and contributions made by Mr. K. Venkataramanan during his tenure and on the recommendation of the Nomination & Remuneration Committee recommended for the approval of the Members, the continuation of Directorship of Mr. K. Venkataramanan as an Independent Director of the Company after attaining the age of 75 years till the completion of his present term i.e. upto the conclusion of the Thirty Fourth Annual General Meeting to be held in calendar year 2020.

Mr. K. Venkataramanan is not disqualified from being appointed as Director in terms of Section 164 of the Act or any other applicable law prescribed by Securities and Exchange Board of India. Declaration has been received from Mr. K. Venkataramanan that he meets the criteria of Independence prescribed under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the Listing Regulations.

The Board confirms that Mr. K. Venkataramanan fulfils the conditions for re-appointment as an Independent Director as specified in the Companies Act, 2013, the rules framed thereunder and the Listing Regulations and that he is independent of the management of the Company.

None of the other Directors, Key Managerial Personnel and relatives thereof, are in any way concerned or interested, except Mr. K. Venkataramanan and his relatives in the resolution at Item No. 5 of this Notice.

The Board recommends passing of the Special Resolution at item no. 5.

Item No. 6

Mr. Mahendra V. Doshi was appointed as an Independent Director of the Company, in accordance to the provisions of Section 149, 152 and Schedule IV of the Companies Act, 2013 read with the Rules framed thereunder, at the 28th Annual General Meeting of the Company held on September 6, 2014 for a term of five consecutive years i.e upto the conclusion of the 33rd Annual General Meeting of the Company.

Since, Mr. Mahendra V. Doshi, has completed one term as an Independent Director of the Company, he is eligible for re-appointment for one more term. He holds a degree of Master in Business Administration from University of Florida. He has expertise in the field of merchant banking and has handled numerous local and International capital market transactions. His vast experience of over 40 years in the field of Finance, Capital Market and Business Administration is of immense value to the Company.

Further, based on the Performance Evaluation of the Independent Directors, conducted by the entire Board on various parameters, the Nomination and Remuneration Committee have recommended re-appointment of Mr. Mahendra V. Doshi for the second term of five years from the date of the Annual General Meeting of the Company to be held in the calendar year 2019 and that he shall not be liable to retire by rotation.

Mr. Mahendra V. Doshi is not disqualified from being appointed as Director in terms of Section 164 of the Act and any other applicable law prescribed by Securities and Exchange Board of India. Declaration has been received from Mr. Mahendra V. Doshi that he meets the criteria of Independence prescribed under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the Listing Regulations.

The Board confirms that Mr. Mahendra V. Doshi fulfils the conditions for re-appointment as an Independent Director as specified in the Companies Act, 2013, the rules framed thereunder and the Listing Regulations and that he is independent of the management of the Company.

Further, the Company has also received a notice in writing pursuant to the provisions of Section 160 of the Companies Act, 2013 from a member proposing his candidature for re-appointment as an Independent Director.

Copy of draft appointment letter setting out the terms and conditions of his re-appointment are available for inspection by the members at the Registered Office of the Company.

None of the other Directors, Key Managerial Personnel and relatives thereof, are in any way concerned or interested, except Mr. Mahendra V. Doshi and his relatives in the resolution at Item No. 6 of this Notice.

The Board recommends passing of the Special Resolution at item no. 6.

Item No. 7

Mr. Mufazzal S. Federal was appointed as an Independent Director of the Company, in accordance to the provisions of Section 149, 152 and Schedule IV of the Companies Act, 2013 read with the Rules framed thereunder, at the 28th Annual General Meeting of the Company held on September 6, 2014 for a term of five consecutive years i.e. upto the conclusion of the 33rd Annual General Meeting of the Company.

Since, Mr. Mufazzal S. Federal, has completed one term as an Independent Director of the Company, he is eligible for re-appointment for one more term. He holds a Bachelor's degree in Science and a Bachelor's degree in Law and has passed Diploma in Business Administration. He has also passed the Solicitor's examination conducted by the Bombay Incorporated Law Society, Bombay. He is a senior partner of the Solicitors firm 'M/s. Federal & Company' which is well entrenched in the legal field for the niche practice in the Corporate field, Dispute resolutions, Real estate and Commercial litigation. His vast experience in the legal field and understanding of various corporate laws adds immense value to the Company.

Further, based on the Performance Evaluation of the Independent Directors, conducted by the entire Board on various parameters, the Nomination and Remuneration Committee have recommended re-appointment of Mr. Mufazzal S. Federal for the second term of five years from the date of the Annual General Meeting of the Company to be held in the calendar year 2019 and that he shall not be liable to retire by rotation.

Mr. Mufazzal S. Federal is not disqualified from being appointed as Director in terms of Section 164 of the Act and any other applicable law prescribed by Securities and Exchange Board of India. Declaration has been received from Mr. Mufazzal S. Federal that he meets the criteria of Independence prescribed under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the Listing Regulations.

The Board confirms that Mr. Mufazzal S. Federal fulfils the conditions for re-appointment as an Independent Director as specified in the Companies Act, 2013, the rules framed thereunder and the Listing Regulations and that he is independent of the management of the Company.

Further, the Company has also received a notice in writing pursuant to the provisions of Section 160 of the Companies Act, 2013 from a member proposing his candidature for re-appointment as an Independent Director.

Copy of draft appointment letter setting out the terms and conditions of his re-appointment are available for inspection by the members at the Registered Office of the Company.

None of the other Directors, Key Managerial Personnel and relatives thereof, are in any way concerned or interested, except Mr. Mufazzal S. Federal and his relatives in the resolution at Item No. 7 of this Notice.

The Board recommends passing of the Special Resolution at item no. 7.

Item No. 8

Mr. S. K. Palekar was appointed as an Independent Director of the Company, in accordance to the provisions of Section 149, 152 and Schedule IV of the Companies Act, 2013 read with the Rules framed thereunder, at the 28th Annual General Meeting of the Company held on September 6, 2014 for a term of five consecutive years i.e. upto the conclusion of the 33rd Annual General Meeting of the Company.

Since, Mr. S. K. Palekar, has completed one term as an Independent Director of the Company, he is eligible for re-appointment for one more term. He did his MSc (Physics) from Mumbai University & MMS (Marketing) from Jamnalal Bajaj Institute of Management Studies. He secured 1st rank, both in MSc (Physics) & MMS (Marketing). He was the Chairperson of Executive Education Centre of S P Jain Institute of Management & Research at Mumbai. He brings with him over 42 years of experience in all aspects of marketing – like sales, advertising, market research, brand management – and also of general management. He has hands on experience in FMCG, durables & service Industry. He retired as Senior Vice President Marketing & Knowledge Management from Eureka Forbes Limited after serving there for over a decade. His immense expertise in the field of Marketing and Management adds a great value to the growth of the Company.

Further, based on the Performance Evaluation of the Independent Directors, conducted by the entire Board on various parameters, the Nomination and Remuneration Committee have recommended re-appointment of Mr. S. K. Palekar for the second term of five years from the date of the Annual General Meeting of the Company to be held in the calendar year 2019 and that he shall not be liable to retire by rotation.

Mr. S. K. Palekar is not disqualified from being appointed as Director in terms of Section 164 of the Act and any other applicable law prescribed by Securities and Exchange Board of India. Declaration has been received from Mr. S. K. Palekar that he meets the criteria of Independence prescribed under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the Listing Regulations.

The Board confirms that Mr. S. K. Palekar fulfils the conditions for re-appointment as an Independent Director as specified in the Companies Act, 2013, the rules framed thereunder and the Listing Regulations and that he is independent of the management of the Company.

Further, the Company has also received a notice in writing pursuant to the provisions of Section 160 of the Companies Act, 2013 from a member proposing his candidature for re-appointment as an Independent Director.

Copy of draft appointment letter setting out the terms and conditions of his re-appointment are available for inspection by the members at the Registered Office of the Company.

None of the other Directors, Key Managerial Personnel and relatives thereof, are in any way concerned or interested, except Mr. S. K. Palekar and his relatives in the resolution at Item No. 8 of this Notice.

The Board recommends passing of the Special Resolution at item no. 8.

Item 9.

The appointment and remuneration of Mr. Sharad V. Parekh, Managing Director, Mr. Hiten V. Parekh, Jt. Managing Director, Mr. Manish V. Parekh, President and Executive Director (Furniture) and Mr. Nayan S. Parekh, President and Executive Director (Material Handling) for a period of 5 years commencing from April 1, 2015 to March 31, 2020 was approved by the Shareholders by passing an Ordinary Resolution for all the appointments on August 4, 2015.

Regulation 17(6)(e) was inserted in the Listing Regulations vide Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 with effective from April 1, 2019. The said regulation prescribe that the fee or compensation payable to all the Executive Directors who are promoters or members of the promoter group, shall be subject to the approval of the Shareholders by special resolution in general meeting, if –

i) the annual remuneration payable to such Executive Director exceeds rupees 5 crores or 2.5% of the net profits of the listed entity, whichever is higher; or

ii) where there is more than one such director, the aggregate annual remuneration to such Directors exceeds 5% of the net profits of the listed entity:

Provided that the approval of the shareholders under this provision shall be valid only till the expiry of the term of such Director.

Mr. Sharad V. Parekh, Managing Director, Mr. Hiten V. Parekh, Jt. Managing Director, Mr. Manish V. Parekh, President and Executive Director (Furniture) and Mr. Nayan S. Parekh, President and Executive Director (Material Handling), Executive Directors, are the promoters of the Company and their aggregate annual remuneration exceeds 5% of the net profits of the Company.

In order to comply with the requirement of Regulation 17(6)(e) of the listing regulations and on recommendation of Nomination and Remuneration Committee, Board of Directors is seeking to take members' approval by way of Special Resolution for paying remuneration at the same levels as paid during the financial year 2018-2019, to all the four (4) Executive Directors for the remaining part of their current term i.e. upto March 31, 2020 to each of the Executive Director, namely, Mr. Sharad V. Parekh, Managing Director, Mr. Hiten V. Parekh, Jt. Managing Director, Mr. Manish V. Parekh, President and Executive Director (Furniture) and Mr. Nayan S. Parekh, President and Executive Director (Material Handling), commencing from April 1, 2019, which was already approved by the members by passing an Ordinary Resolution on August 4, 2015.

None of the other Directors, Key Managerial Personnel and relatives there of, are in any way concerned or interested, except Mr. Sharad V. Parekh, Mr. Mr. Hiten V. Parekh, Mr. Manish V. Parekh and Mr. Nayan S. Parekh and his relatives in the resolution at Item No. 9 of this Notice.

The Board recommends passing of the Special Resolution at item no. 9.

By order of the Board
For Nilkamal Limited

Place: Mumbai
Date: May 11, 2019

Priti P. Dave
Company Secretary

Important notes to the shareholders:

Some important notes pertaining to dividend and shares of the shareholders are given below. The shareholders can access the same on the Company's website at the below links:

1. The details of dividend which has remained unpaid/ unclaimed for the past seven consecutive years can be viewed on the Company's website at https://nilkamal.com/unclaimed-unpaid-dividend/
2. The details of the members whose shares have been transferred to the IEPF authority is available on the Company's website at https://nilkamal.com/shares-transferred-to-iepf-suspense-account/
3. The details of the members whose shares are liable to be transferred to the IEPF authority is available on the Company's website at https://nilkamal.com/shares-transferred-to-iepf-suspense-account/.

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT OR VARIATION IN TERMS OF REMUNERATION AT THE ENSUING ANNUAL GENERAL MEETING

(Pursuant to Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings)

Name of the Director	Mr. K Venkatramanan	Mr. Mahendra V. Doshi	Mr. Mufazzal Federal	Mr. S. K. Palekar
DIN	00001647	00123243	03409798	01723670
Item No.	5	6	7	8
Date of Birth	December 11, 1944	November 29, 1949	June 16, 1950	August 23, 1949
Date of first appointment on Board	November 5, 2016	December 3, 1990	January 21, 2011	April 17, 2012
Qualifications	Details provided in Explanatory statement			
Expertise				
Terms and conditions of appointment or re-appointment	Continuation of Directorship till the completion of his present term i.e. upto the conclusion of the Thirty Fourth Annual General Meeting of the Company to be held in calendar year 2020. (Please refer to Item No. 5 of the Notice)	Re-appointed for a period of 5 years from the date of the Annual General Meeting of the Company to be held in the calendar year 2019 (Please refer to Item No. 6 of the Notice)	Re-appointed for a period of 5 years from the date of the Annual General Meeting of the Company to be held in the calendar year 2019 (Please refer to Item No. 7 of the Notice)	Re-appointed for a period of 5 years from the date of the Annual General Meeting of the Company to be held in the calendar year 2019 (Please refer to Item No. 8 of the Notice)
Details of remuneration last drawn (FY 2018-2019)	Details of remuneration is provided in Report on Corporate Governance forming a part of Annual Report for the FY 2018-2019.			
*Directorships held in other public companies	1. L&T Hydrocarbon Engineering Limited 2. Kirloskar Pneumatic Company Limited 3. Vedanta Limited 4. Landt Welfare Company Limited	1. LKP Finance Limited 2. Graviss Hospitality Limited 3. MKM Share & Stock Brokers Limited 4. LKP Wealth Advisory Limited 5. J.K.Helene Curtis Limited	None	$None
**Memberships/ Chairmanships of Committees* in other public Companies.	Membership in Audit Committee: 1.Kirloskar Pneumatic Company Limited Membership in Stakeholders' Relationship Committee: 1. Vedanta Limited	Membership in Audit Committee: 1.LKP Finance Limited 2.Graviss Hospitality Limited Membership in Stakeholders' Relationship Committee: 1. Graviss Hospitality Limited	None	$None
Number of Board Meetings attended during financial year.	4	4	4	3
Relation with other Directors & Key Managerial Personnel (KMP) of the Company.	Mr. K. Venkataramanan is not related to any of the other Directors & KMP.	Mr. Mahendra V. Doshi is not related to any of the other Directors & KMP.	Mr. Mufazzal Federal is not related to any of the other Directors & KMP.	Mr. S K Palekar is not related to any of the other Directors & KMP.
No of shares held in the Company	Nil	7200	Nil	Nil

Name of the Director	Hiten V. Parekh
DIN	00037550
Item No.	3
Date of Birth	May 27, 1963
Date of first appointment on Board	December 9, 1985
Qualifications & Expertise	Mr. Hiten V. Parekh, aged 56 years, holds a bachelor's degree in Commerce from Mumbai University and a Diploma in Quality Systems and Management. He is associated with the Company since incorporation and has over 33 years of rich experience in the manufacturing sector. He overlooks the functions of several of its factories located across the country and acts as checkpoint for quality control and assurance of the Company's products, which has enabled the Company to uphold its status as a quality market leader in the industry and has also helped to gain several awards to the Company. He is one amongst the first few persons in the plastics processing industry to extend the Company's business out of India and took a step forward by setting up business at Sri Lanka. He is also instrumental in launching the Company's retail business of lifestyle furniture, furnishing and accessories under the brand name '@home' and the Company's foray into mattress business under the brand name 'Nilkamal Mattrezzz'.
Details of remuneration last drawn (FY 2018 2019)	Details of remuneration is provided in Report on Corporate Governance forming a part of Annual Report for the FY 2018-19.
* Directorships held in other public companies	None
**Memberships/ Chairmanships of Committees* in other public Companies.	None
Number of Board Meetings attended during financial year.	4
Relation with other Directors & Key Managerial Personnel (KMP) of the Company.	Mr. Hiten V. Parekh is the son of Mr. Vamanrai V. Parekh and brother of Mr. Manish V. Parekh.
No of shares held in the Company	1,937,258

*Directorships in Private Limited Companies, Foreign Companies and Section 8 companies and their Committee memberships are excluded.
**Membership and Chairmanship of only Audit Committees and Stakeholders' Relationship Committees have been included in the aforesaid table.
$Ceased to be a Director of Huhtamaki PPL Limited w.e.f from May 9, 2019, and consequently ceased to be a member of its Committee.

DIRECTORS' REPORT

REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS FOR THE YEAR ENDED MARCH 31, 2019.

Dear Members,

Your Directors are pleased to present the **33rd Annual Report** and the Audited Statement of Accounts for the financial year ended March 31, 2019.

FINANCIAL PERFORMANCE:

The financial performance of the Company for the financial year ended March 31, 2019 is summarised below:-

(₹ in Lakhs)

Particulars	**2018-2019**	**2017-2018**
Revenue and Other Income	232,127.53	211,569.24
Profit before Depreciation, Amortisation and Tax	20,832.49	22,722.46
Less: Depreciation and Amortisation charges	4,964.07	4,846.85
Profit before Tax	15,868.42	17,875.61
Less: Taxes	4,745.50	6,165.06
Profit after Tax	11,122.92	11,710.55
Add : Other Comprehensive Income	(122.94)	105.26
Total Comprehensive Income	10,999.98	11,815.81
Opening balance in Retained Earnings	36,783.59	30,677.21
Amount available for appropriation	47,783.57	42,493.02
i) Interim Dividend	596.90	596.90
ii) Final Dividend	1,343.03	1,044.58
iii) Total Tax on Dividend	339.13	170.07
Transfer to General Reserve	-	3,884.84
Closing balance in Retained Earnings	45,589.42	36,783.59
Earnings Per Share (₹)	74.54	78.48
Cash Earnings Per Share (₹)	107.80	110.96
Book Value per Share (₹)	592.65	534.21

YEAR IN RETROSPECT

Revenue from operations of your Company has increased by 9.31 % over the previous year to ₹ 230,418.37 lakhs. EBIDTA reduced by 7 % from the previous year to ₹ 22,412.39 lakhs, whereas the profit after tax decreased by 5% over the previous year to ₹ 11,122.92 lakhs. The plastic business has achieved a volume and value growth of 7% and 13% respectively.

'@home' - the Company's retail business of lifestyle furniture, furnishing and accessories, recorded a turnover of ₹ 21,089 lakhs for the current financial year and also achieved EBIDTA of ₹ 466 lakhs. The profit before tax of the said business stood at ₹ 126 lakhs.

RESERVES

There is no amount proposed to be transferred to Reserves out of profits of the financial year 2018 -19.

DIVIDEND

Your Directors are pleased to recommend a Final Dividend of ₹ 9 per equity share (90%) for the financial year 2018-2019, which is subject to consideration and approval of the Shareholders at the ensuing Annual General Meeting of the Company, and shall be paid within the statutory period to those members whose names appear in the Register of Members as on the date of book closure. Your Company had also declared interim dividend of ₹ 4 per equity share (40%) on October 29, 2018.

The aforesaid dividend pay-out for year under review is in accordance with the Company's policy on Dividend Distribution which is linked to long term growth objectives of your Company to be met by internal cash accruals. The Dividend Distribution Policy of the Company can be viewed on the Company's website at the following weblink:https://nilkamal.com/wp-content/uploads/2019/01/Dividend_Distribution_Policy.pdf

The total outflow on account of the interim dividend and the proposed final dividend (including distribution tax, surcharge and education cess) shall amount to ₹ 2,259 lakhs.

SHARE CAPITAL

The Company's paid-up Equity Share Capital continues to stand at ₹ 14.92 crore as on March 31, 2019.

During the year, the Company has not issued any shares or convertible securities. The Company does not have any Scheme for issue of shares including sweat equity shares to the employees or Directors of the Company.

AWARDS AND CERTIFICATIONS

Your Company has received the following awards/ certifications during the year under review:

- The Company's Sinnar unit was awarded the "Energy Efficient Plant" by the Confederation of Indian Industry (CII) at its 19th National Award for Excellence in Energy Management 2018.
- Company's Pallets AP & SP series have obtained ISO-8611-1:2011 Compliance issued by TUV-Nord, Germany.
- Further, continuing the Company's record of adopting the right practices for optimising the use of scarce resources and energy conservation, this year too your Company has bagged the Gold prize at the National Energy Conservation Award for Plastic Sector 2018 from BEE-Government of India for its Kharadpada unit in Silvassa.
- The Company has also received India Manufacturing Excellence Award issued from "Frost and Sullivans" for its Silvassa Plant, which certifies the enhanced Manufacturing and supply chain Excellence.
- Mr. Vamanrai V. Parekh, Chairman and Mr. Sharad V. Parekh, Managing Director of the Company were honoured with the Life Time Achievement Award for their immense contribution towards the plastic industry by The Economic Times in their Polymers Awards 2019 – Excellence in Plastics.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is committed to Corporate Social Responsibility and strongly believes that the business objectives of the Company must be in congruence with the legitimate development needs of the society in which it operates.

Pursuant to the provisions of the Section 135 of the Companies Act, 2013 (the Act), your Company has constituted a CSR Committee to monitor the CSR activities of the Company, details of which are provided in the Corporate Social Responsibility Report, forming part of this Report.

The Company's CSR policy is placed on the Company's website at https://nilkamal.com/wp-content/uploads/2019/01/CSRPOLICY.pdf

The Company has contributed an amount of ₹ 336.05 lakhs towards various CSR activities mainly focused in the areas of promotion of education & healthcare, rural development and providing drinking water and sanitation facilities, along with undertaking other activities in terms of Schedule VII of the Companies Act, 2013. The said activities were carried by the Company directly and vide its Implementing Agency viz Nilkamal Foundation - a Section 8 Company.

The Annual Report on CSR activities is annexed herewith as "Annexure A".

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Financial Statements relate and date of this report.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT

A separate section on corporate governance practices followed by the Company together with a certificate from the auditors confirming its compliance, forms a part of this Annual Report,as per SEBI Regulations. Further, as per Regulation 34 read with Schedule V of the Listing Regulations, a Management Discussion and Analysis report is annexed to this report.

SUBSIDIARIES AND JOINT VENTURES

During the year under review, your Company has three direct subsidiaries: Nilkamal Foundation in India, Nilkamal Eswaran Plastics Private Limited at Sri Lanka and Nilkamal Crates and Bins – FZE at UAE and one step-down subsidiary: Nilkamal Eswaran Marketing Private Limited at Sri Lanka; and two Joint Venture Companies: Nilkamal Bito Storage Systems Private Limited, which is the Indo-German Joint Venture and Cambro Nilkamal Private Limited, which is the Indo-US Joint Venture.

There has been no material change in the nature of business of the said companies.

During the year under review, the Company's subsidiary companies at Sri Lanka has exhibited a subdued performance whereas the subsidiary at Ajman showed a decent performance. Further, Nilkamal Foundation – a Section 8 Company - is the Company's Implementing Agency for undertaking the CSR activities of the Company, which has contributed towards various institutions/ projects for the said purpose.

The Company's German Joint Venture Company has showed a top line growth and displayed a satisfactory performance; whereas the US Joint Venture Company has showed a robust performance, thus achieving topline growth as well as profits.

In terms of proviso to sub section (3) of Section 129 of the Act, the salient features of the financial statement of the subsidiaries is set out in the prescribed form AOC-1, which forms part of the Annual Report.

In accordance with third proviso of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its standalone and the consolidated financial statements has been placed on the website of the Company, www.nilkamal.com. Further, as per fourth proviso of the said section, audited annual accounts of each of the subsidiary companies have also been placed on the website of the Company, www.nilkamal.com.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Your Company has not given any Loans or Guarantees covered under the provisions of Section 186 of the Companies Act, 2013.

Further, during the year under review, the Company has made an additional investment of 25,370 equity shares of Beta Wind Farm Private Limited, for the purpose of availing wind energy from them for the company's unit situated at Hosur in the State of Tamilnadu.

NOMINATION AND REMUNERATION POLICY OF THE COMPANY

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy relating to remuneration of the Directors, Key Managerial Personnel, Senior Management Personnel and other employees, along with the criteria for appointment and removal of the Directors, Key Managerial Personnel and Senior Management Personnel of the Company. The Nomination and Remuneration Committee is fully empowered to determine /approve and revise, subject to necessary approvals, the remuneration of managerial personnel, after taking into account the financial position of the Company,trends in the industry, qualifications, experience, past performance and past remuneration, etc. The Non-Executive Directors are paid sitting fees for every meeting of the Board and it Committees attended by them. The Nomination and Remuneration Policy of the Company is available on the website of the Company at the https://nilkamal.com/wp-content/uploads/2019/01/Nomination_and_Remuneration_Policy.pdf.

AUDITORS AND AUDITORS' REPORT

Pursuant to provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. B S R & Co. LLP, having ICAI Registration No. 101248W/ W-100022 were appointed as Statutory Auditors for a second term of five years to hold office from the conclusion of 32nd Annual General Meeting up to the conclusion of the 37th Annual General Meeting of the Company.

The requirement of seeking ratification of the members for continuance of Statutory Auditors appointment has been withdrawn consequent upon the changes made by the Companies (Amendment) Act, 2017 w.e.f. May 7, 2018. Hence, the resolution seeking ratification of the members for their appointment is not being placed at the ensuing Annual General Meeting.

The Statutory Auditor has confirmed their eligibility and submitted the certificate in writing that they are not disqualified to hold the office of the statutory auditor. Further in terms of the Listing Regulations, the Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI.

The Auditors' Report to the Members on the Accounts of the Company for the year ended March 31, 2019 is a part of the Annual Report. The said Audit Report does not contain any qualification, reservation or adverse remark. During the year 2019, the Auditors had not reported any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

COST AUDITOR

M/s. B. F. Modi and Associates, Cost Accountants, were appointed as the Cost Auditors of the Company to carry out audit of the cost records of the Company for the financial year 2018-2019. They, being eligible and willing to be re-appointed as Cost Auditors, were appointed as the Cost Auditors of the Company for the financial year 2019-2020 by the Board of Directors, upon the recommendation of the Audit Committee.

The resolution seeking ratification of the remuneration to the said cost auditors for the financial year 2019-2020 is set out in the Notice calling the 33rd Annual General Meeting of the Company.

SECRETARIAL AUDIT

Mr. Pratik M. Shah, Practising Company Secretary was appointed as the Secretarial Auditor of the Company to undertake the Secretarial Audit for the financial year 2018-2019. The Secretarial Auditor's report to the members does not contain any qualification,reservation and adverse remarks and the same is annexed to this report as "Annexure B".

During the FY 2018-2019, your Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

EXTRACT OF ANNUAL RETURN

The Extracts of the annual return in Form MGT 9 as required under Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 has been placed on the website of the Company and can be accessed at link – https://nilkamal.com/mgt-9/

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of your Company is duly constituted in accordance with the requirements of the Companies Act, 2013 read with the Listing Regulations.

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, consent of the Members by way of Special Resolution is required for continuation of a Non-Executive and Independent Directors beyond the age of 75 years w.e.f. April 1, 2019.

Accordingly, pursuant to the provisions of the Listing Regulations and based on the recommendation of the Nomination and Remuneration Committee, the continuation of directorship Mr. K. Venkataramanan (DIN 00001647), after attaining the age of 75 years till the completion of his present term i.e. upto the conclusion of the Thirty Fourth Annual General Meeting to be held in calendar year 2020 is placed for the approval of the Members through a Special Resolution at the 33rd Annual General Meeting.

Further pursuant to the provisions of the Companies Act, 2013 ("the Act"), the members at their 28th Annual General Meeting had appointed Mr. Mahendra V. Doshi (DIN 00123243), Mr. Mufazzal S. Federal (DIN 03409798) and Mr. S. K. Palekar (DIN 01723670) as an Independent Non-Executive Directors to hold office for five consecutive years upto the conclusion of the 33rd Annual General Meeting of the Company. Mr. Mahendra V. Doshi, Mr. Mufazzal S. Federal and Mr. S. K. Palekar are eligible for re-appointment as an Independent Non-Executive Director for the second term of five years from the date of Annual General Meeting of the Company to be held in the calendar year 2019.

Accordingly, pursuant to the provisions of the Act and based on the recommendation of the Nomination and Remuneration Committee, the re-appointment of Mr. Mahendra V. Doshi, Mr. Mufazzal S. Federal and Mr. S. K. Palekar for a period of five years is placed for the approval of the Members through a Special Resolution at the 33rd Annual General Meeting.

During the year under review, the Company has by way of postal ballot approved the continuation of Directorship of Mr. Vamanrai V. Parekh (DIN 00037519), who is above 75 years of age, as a Non-Executive Director and also the continuation of the existing tenure of directorship of Mr. K. R. Ramamoorthy (DIN 00058467), who is above 75 years of age, as an Independent Director and re-appointment of Mr. K. R. Ramamoorthy as an Independent Director for a second term of 5 years from the date of the Annual General Meeting of the Company to be held in the calendar year 2019.

Further, the Company has received declarations from all the Independent Directors stating that they meet the criteria of independence as given under Section 149 of the Companies Act, 2013 and the relevant provisions of the Listing Regulations.

Further, in accordance with the provisions of Companies Act, 2013 and the Articles of Association of the Company, Mr. Hiten V. Parekh (DIN: 00037550), Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-election.

The required information of the Directors being re-appointed, pursuant to the provisions of the Listing Regulations, forms part of the Annual Report.

There was no change in the composition of the Board of Directors and the Key Managerial Personnel, except as stated above.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors confirm the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

(a) that in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;

(b) that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

(c) that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) that the annual financial statements have been prepared on a going concern basis;

(e) that they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

(f) that they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CASH FLOW AND CONSOLIDATED FINANCIAL STATEMENTS

As required under the regulation 34 of the Listing Regulations, a cash flow statement is part of the Annual Report 2018-2019. Further, the Consolidated Financial Statements of the Company for the financial year 2018-2019 are prepared in compliance with the applicable provisions of the Act, Accounting Standards and as prescribed by Listing Regulations. The said Financial Statements have been prepared on the basis of the audited financial statements of the Company, its subsidiaries and joint venture companies as approved by their respective Boards of Directors.

ADEQUACY OF RISK MANAGEMENT SYSTEMS

The Board of Directors have adopted an Enterprise Risk Management Policy framed by the Company, which identifies the risk and lays down the risk minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has in place a Whistle Blower Policy with a view to provide a mechanism for its Directors/employees to approach the Chairman of the Audit Committee, in case of any grievances or concerns related to fraud and mismanagement, if any. The details of the said Policy is explained in the Corporate Governance Report and also posted on the website of the Company.

DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

An Internal Complaints Committee has been constituted by the Company in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under to redress complaints received on sexual harassment. During the year, the Company received one Complaint of harassment and same has been disposed off after inquiry by Internal Complaints Committee.

During the course of the year, initiatives were undertaken to demonstrate the Company's zero tolerance philosophy against discrimination and sexual harassment, which included creation of comprehensive and easy to understand training and communication. In addition, workshops were also run for the employees to enhance awareness and knowledge of other biases that may influence thinking and actions.

RELATED PARTY TRANSACTIONS

Your Company has formulated a Policy on materiality of dealing with related party transactions and the same has been hosted on its website at https://nilkamal.com/wp-content/uploads/2019/03/Policyonmaterialityofanddealingwithrelatedparty_290120191.pdf

All the related party transactions are placed before the Audit Committee for their review and approval. Further, prior omnibus approval of the Audit Committee is obtained for related party transactions of repetitive nature and entered into in the ordinary course of business at an arms' length basis.

Further, the Company has not entered into any material related party transaction during the year under review. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act, in form AOC-2 is not applicable to your Company.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, 2015 the Board of Directors has undertaken an annual evaluation of its own performance, performance of its various Committees and individual Directors. The details of the said evaluations have been mentioned in the Report on Corporate Governance.

TRANSFER TO IEPF

Pursuant to the provisions of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("The Rules"),the Company had sent individual notices and also advertised in the newspapers seeking action from the shareholders who have not claimed their dividends for past seven consecutive years i.e for final dividend of the financial year ended 2010-2011, and thereafter, had transferred such unpaid or unclaimed dividends and corresponding 2,208 equity shares held by 22 shareholders to the IEPF Authority on October 3, 2018.

Shareholders /claimants whose shares, unclaimed dividend, have been transferred to the afore stated IEPF Suspense Account or the Fund, as the case may be, may claim the shares or apply for refund by making an application to the IEPF Authority in Form IEPF-5 (available on http://www.iepf.gov.in) along with requisite fee as decided by the IEPF Authority from time to time.

Further, the Company shall be transferring the unclaimed Dividend for the financial year 2011-2012 to the IEPF Account on or before October 2, 2019. The Company shall also be transferring the shares, on which the dividend has remained unclaimed for a period of seven consecutive years, to the IEPF Account simultaneously on the same date. The Company has sent individual letters to the shareholders for claiming the said dividend and has also advertised the same in the newspapers in accordance to the Rules. Members are therefore requested to ensure that they claim the dividends referred above, before they are transferred to the said Fund.

Details of shares/shareholders in respect of which dividend has not been claimed, are provided on our website at https://nilkamal.com/unclaimed-unpaid-dividend/. The shareholders are therefore encouraged to verify their records and claim their dividends of all the earlier seven years, if not claimed.

STATUTORY INFORMATION

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as “Annexure C”.

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said Rules forms a part of the Annual Report.

Further, the disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 also forms a part of the Annual Report.

However, having regard to the provisions of Section 136(1) read with its relevant provision of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered Office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished without any fee.

Your Company has not accepted Deposits from public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company's operations in future.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their sincere appreciation for the encouragement and co-operation received by the Company from the Bankers, State Government Authorities, Local Authorities and its Employees during the year.

For and on behalf of the Board

Place: Mumbai
Date: May 11, 2019

Vamanrai V. Parekh
Chairman

"ANNEXURE A"

FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019.

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

   The Board of Directors of your Company had approved the CSR Policy in accordance with the provisions of Schedule VII of the Companies Act, 2013, inter-alia with the chief aim of providing education and healthcare facilities and maintaining environmental sustainability.

   The CSR policy of the Company is available on the website of the Company www.nilkamal.com and the weblink of the same is https://nilkamal.com/wp-content/uploads/2019/01/CSRPOLICY.pdf

2. **Composition of the CSR Committee is as under:**

   (i) Mr. K. R. Ramamoorthy

   (ii) Mr. Vamanrai V. Parekh

   (iii) Mr. Sharad V. Parekh

3. **Average net profit of the Company for last three financial years:** ₹ 16790.58 lakhs

4. **Prescribed CSR Expenditure (two per cent of the amount as in Item 3 above):** ₹ 335.81 lakhs

5. **Details of CSR spent during the financial year:**

   (a) Total amount to be spent for the financial year: ₹ 335.81 lakhs

   (b) Total amount spend during the financial year: ₹ 336.05 lakhs

   (c) Amount unspent, if any: Nil

   (d) Manner in which the amount spent during the financial year: as provided in below table:

(₹ in Lakhs)

Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (1) local area or other (2) specify the State and District where projects or programs was implemented	Amount outlay (budget) project or programswise	Amount spent on the projects or programs sub-heads: (1) Direct expenditure on projects or programs. (2) oveheads	Cumulative expenditure upto the reporting period	Amount spent: Direct (D)or through Implementing Agency (IA)
1	Promoting rural sports	Rural Sports	Malegaon, Nashik, Maharashtra	0.51	0.51	0.51	D
2	Providing of twin dustbins with stand at the Kumbh Mela	Healthcare and Sanitation	Praygraj, Uttar Pradesh	36.94	36.94	36.94	D
3	Donation	Donation	-	298.60	298.60	298.60	IA
	Total			**336.05**	**336.05**	**336.05**	D - 37.44 #IA - 298.60

#An amount of ₹ 298.60 lakhs was transferred to Nilkamal Foundation - a Section 8 Company, the Implementing Agency for undertaking CSR activities of the Company.

The following are the CSR activities carried out by Nilkamal Foundation during the financial year 2018-19.

(Amount in ₹ lakhs)

Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (1) local area or other (2) specify the State and District where projects or programs was implemented	Amount outlay (budget) project or programswise	Amount spent on the projects or programs sub-heads: (1) Direct expenditure on projects or programs. (2) oveheads	Cumulative expenditure upto the reporting period	Amount spent: Direct (D) or through Implementing Agency (IA)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Providing basic educational necessities to school children like school buses, school bags , books, chairs and tables etc. alongwith providing education to Blind students.	Education	Bhavnagar & Vadodara in Gujarat, Mumbai in Maharashtra and Silvassa in Union Territory of Dadra and Nagar Haveli.	44.32	44.32	44.32	IA
2	Providing of - Protective shoes to individuals suffering from Leprosy, Artificial Limbs & Appliances, healthcare, education and awareness alongwith quality healthcare and medicine at an affordable cost, necessities to flood affected areas.	Healthcare & Sanitation	Bhavnagar in Gujarat, Sinnar and Mumbai in Maharashtra, New Delhi, Ernakulam in Kerala, Silvassa in Union territory of Dadra and Nagar Haveli.	51.56	51.56	51.56	IA
3	Making available safe drinking water	Safe drinking water	Satara, Maharashtra	9.35	9.35	9.35	IA
4	Uplifment of Village	Rural Development	Devghar, Maharashtra	10.00	10.00	10.00	IA
5	Project for reconstruction and modernisation of Government School.	Education	Mahuva, Gujarat	400.00	151.49	151.49	IA
	Total			**515.23**	**266.72**	**266.72**	**IA - 266.72**

6. **Reasons for not spending the amount: Not applicable**
7. **Responsibility Statement by the CSR Committee:** The implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

For and on behalf of the Board

Place: Mumbai
Date: May 11, 2019

Sharad V. Parekh
(Managing Director)

K. R. Ramamoorthy
(Chairman of CSR Committee)

'ANNEXURE B'

SECRETARIAL AUDIT REPORT

For the Financial year ended March 31, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The Members,

Nilkamal Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Nilkamal Limited** (hereinafter called **"the Company"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives including representation made by the management of the Company during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended March 31, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019, according to the provisions of:
   i. The Companies Act, 2013 (the Act) and the rules made thereunder;
   ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
   iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
   iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent applicable;
   v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
      a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
      b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
      c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
      d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the financial year under report:-
   i. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
   ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
   iii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
   iv. The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;
   v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
3. The Company has identified the following laws as specifically applicable to the Company:
   i. Water (Prevention & Control of Pollution) Act, 1974
   ii. The Air (Prevention & Control of Pollution) Act, 1981
   iii. The Legal Metrology Act, 2009

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.
2. Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. Company has duly complied with the Secretarial Standards as issued by The Institute of Company Secretaries of India.
4. Company is regular in compliance with the filing of e-forms with the office of Ministry of Corporate Affairs as required pursuant to the provisions of The Companies Act, 2013 and Rules framed thereunder
5. Majority decisions are carried through which are captured and recorded as part of the minutes.
6. There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

PRATIK M. SHAH
Company Secretaries
FCS No.: 7431
CP No.:7401

Place: Mumbai
Date: May 2, 2019

"ANNEXURE C"

Information as required under the Companies (Accounts) Rules, 2014.

A. CONSERVATION OF ENERGY.

Since the year 2012 the Company has achieved and successfully maintained ISO 50001 EnMS (Energy Management Systems) with immense improvement in conservation of energy certified by TUV-SUD Germany across all its units.

The company is also Re-Certified for Environment Management Systems-EMS 14001 with 2015 Latest version by TUV-SUD for upgrading its Environment Protection by identifying its significant aspects and Impacts based on international norms and standards of governance.

The Company has developed a sustained culture towards Energy Conservation with daily display of energy consumptions ensuring the focus is never missed across all the functions leading to various opportunities being identified to Reduce, Recycle and Re-use natural resources and save mother earth from environment pollution by way of consistent reduction in carbon foot prints across all the units.

The Group Participation in various energy conservation activities has been recognized and Awarded First Prize -Gold Winner once again by "Bureau of Energy Efficiency" under Ministry of Power by Govt. of India for our Kharadpada unit in Silvassa.

Similar Participation with CII has resulted in consecutive award winning for "Excellence in Energy Management" for our Sinner Unit in Nasik.

During the year various initiatives to conserve the energy were undertaken by the Company, which are as under,

1. Installed around 4000 KWp Rooftop Solar Power Generation System across various units which was installed and commissioned towards year end which is expected to generate monthly 5 Lakhs units in coming years.
2. The on-going partnership with BETA Wind Energy Farms Private Limited was optimized for its unit's consumption leading to lower billing by TNEB.
3. Reduction in specific energy consumption at all our locations helped to reduce Carbon Emission by using Effective "M3 Tool" with Mold-Machine Matrix Planning and below projects.
   a. Re-furbished and New screw/barrels were adopted to minimize energy loss due to poor plasticizing rate per hour of Kg output.
   b. VFD were installed to improve energy conservation.
   c. Servo Motors were installed where possible to reduce Carbon Emission.
   d. Screw type Chillers were installed resulting in reduction of carbon emission.
   e. Transparent sheets were used on roof tops to provide natural light in shop floor.
   f. LED fittings of lower Watts with same Lux, were used to replace Tube fittings.
   g. Improving energy efficiency, gas consumption, diesel operations at all plants helped in reducing GHG Emission.
   h. Energy saving aerogel technology barrel heater jackets were used for Injection Molding Machines to reduce heat loss and atmospheric temperature.
   i. Various small energy savings projects also helped in saving carbon emission.

   The ongoing focus will further continue and your Company will be further optimizing the plant capacity utilisation at various locations and also derive the benefits of solar and wind energy for continued sustenance of Environment protection and Resources as committed by Management.

B. TECHNOLOGY ABSORPTION.

Disclosure of particulars in Form B, with respect to Technology Absorption:

RESEARCH AND DEVELOPMENT (R & D):

Your Company strives to make constant investments towards improvement in its existing product lines and undertakes development efforts in that area. Such efforts shall help your Company to achieve the set targets in a better manner, within less than required time together with providing improved quality products. This has also enhanced the development capabilitiesof the Company. Your Company has incurred ₹ 381.50 lakhs, i.e. 0.17 % of total turnover of the Company, towards recurring R and D expenditure. There was no expenditure of capital nature towards the same.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts, in brief, made towards technology absorption, adaptation and innovation.
    1. Installation of two Latest Technology Twin Platen Servo Injection Molding machine and also installed five latest Technology Servo Injection Molding machine to save cycle time and energy.
    2. Installation of latest technology Robots to save manpower on Injection Molding machine.
    3. Installation of Special Purpose Assembly Machines for insertion of multiple threaded brass inserts into plastic components at a time.
    4. Metal Lockers which are readily available in the markets are developed into plastic lockers.
    5. Installation of "PYTHA" software for designing wooden furniture.
    6. Installation of "PRO-E" software for designing of Wooden & Metal furniture.
    7. Various Special Purpose Machines (SPM) developed for Bubble Guard Sheet operations for value added products.
    8. Latest technology special purpose Hot Stamping machine and Film Heat Transfer machine developed for fast productivity.
    9. Lean Management being the focus area the company took various initiatives on Productivity Improvement, Weight reduction, quality improvement, weight optimization, Kaizan, 5S and cost saving projects under the "V30 Winner" theme.
2. Benefits derived as a result of the above efforts.
    - Conservation of natural resources with prime focus on energy and water management with Zero Discharge philosophy.
    - Environment Protection for Sustainability to reduce, recycle &reuse waste.
    - Improved performance of machines and its utilisation.
    - Using "V30 Winner" theme for sustained innovation as a growing culture within the organisation.
    - Knowledge and skills sharing across Company initiatives for benchmarking the best Practices.
3. The Company has not imported any technology or process know-how.

FOREIGN EXCHANGE EARNINGS AND OUTGO.

Total Foreign Exchange used and earned

(₹ in lakhs)

Particulars	**2018-2019**	2017-2018
Foreign Exchange Earned	**5,166**	5,817
Foreign Exchange Used	**37,641**	28,376

For and on behalf of the Board

Place: Mumbai
Date: May 11, 2019

Vamanrai V. Parekh
Chairman

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2019.

1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

The Company is committed to good Corporate Governance. The basic philosophy of Corporate Governance in the Company is to achieve business excellence and dedicate itself for increasing long-term shareholder value, keeping in view the interests of all its stakeholders. The Company is committed to transparency in all its dealings and places emphasis on business ethics.

In India, Corporate Governance standards for listed companies are regulated by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). The Company has adopted best practices mandated in the Listing Regulations. A Report on compliance with Corporate Governance as stipulated in the Listing Regulations as amended from time to time is given below:

2. BOARD OF DIRECTORS

The Composition of the Board

The Board of Directors ('Board') of the Company comprises of an optimum combination of Executive and Non-Executive Directors, which is in conformity with Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations, 2015") as amended from time to time. As at the end of the financial year 2019, the total Board strength comprises of Eleven Directors on the Board, out of which Seven are Non-Executive Directors including a Non-Executive Chairman, and the rest are Executive Directors.

The Independent Directors do not have any material pecuniary relationship or transactions with the Company, Promoters or Management, which may affect their judgement in any manner. The Directors are eminently qualified and experienced professionals in indusrial, managerial, business, finance, marketing and corporate management. The Directors attending the meetings actively participate in the deliberations at these meetings by providing valuable guidance to the Management on various aspects of business, policy direction, governance, compliance etc. which adds value in the decision making process of the Board of Directors. The Board meets at least once in a quarter to consider amongst other matters, the quarterly performance of the Company and financial results.

Further none of the Directors on the Board is a member of more than ten Committees or Chairman of five Committees (committees being Audit Committee and Stakeholders Relationship Committee) across all the Indian Public Companies in which he/she is a Director. Necessary disclosures regarding their Committee positions have been made by all the Directors.

None of the Directors hold office in more than ten Public Companies. None of the Independent Directors of the Company serve as an Independent Director in more than seven listed companies. All Directors are also in compliance with the limit on Independent Directorships of listed companies as prescribed under Regulation 17A of the Listing Regulations. The Board confirms that the Independent Directors fulfil the conditions specified in these regulations and that they are Independent of the management.

Composition/ Category of Directors/ Attendance at Meetings as on March 31, 2019:-

Name of the Director	Category of Directorship	No. Of. Board Meeting attended	Attendance at the last AGM held on June 30, 2018
Ms. Hiroo Mirchandani DIN : 06992518	Independent, Non-Executive Director	4	No
Mr. K. R. Ramamoorthy DIN : 00058467	Independent Non-Executive Director	4	Yes
Mr. K. Venkataramanan DIN : 00001647	Independent, Non-Executive Director	4	No
Mr. Mahendra V. Doshi DIN : 00123243	Independent, Non-Executive Director	4	No
Mr. Mufazzal Federal DIN : 03409798	Independent, Non-Executive Director	4	No
Mr. S. K. Palekar DIN : 01723670	Independent, Non-Executive Director	3	No
Mr. Hiten V. Parekh DIN : 00037550 Joint Managing Director	Executive Director	4	Yes
Mr. Manish V. Parekh DIN : 00037724 President and Executive Director (Furniture)	Executive Director	4	Yes

Mr. Nayan S. Parekh DIN : 00037597 President and Executive Director (Material Handling)	Executive Director	3	Yes
Mr. Sharad V. Parekh DIN : 00035747 Managing Director	Executive Director	4	Yes
Mr. Vamanrai V. Parekh DIN : 00037519 Chairman	Non-Executive Director	4	Yes

Number of directorships / committee memberships held by the Directors of the Company in other Companies including the names of the other listed entities where the Director is a Director and the category of their directorship as on March 31, 2019:-

Name of the Director	Number of directorship in other public Companies*	Committee Chairmanship and Membership*		Names of other Listed Companies in which he/she holds Directorship and category of Directorship	Shareholding of Non-Executive Directors
		Chair-manship**	Member-ship**		
Ms. Hiroo Mirchandani DIN : 06992518	5	1	4	1. Tata Teleservices (Maharashtra) Limited – Independent, Non-Executive Director 2. DFM Foods Limited - Independent, Non-Executive Director	Nil
Mr. K. R. Ramamoorthy DIN : 00058467	3	2	2	1. Amrit Corp. Limited - Independent Non-Executive Director 2. Subros Limited - Independent Non-Executive Director 3. Ujjivan Financial Services Limited - Independent, Non-Executive Chairman	Nil
Mr. K. Venkataramanan DIN : 00001647	4	-	2	1.Vedanta Limited- Independent, Non-Executive Director 2.Kirloskar Pneumatic Company Limited- Independent, Non-Executive Director	Nil
Mr. Mahendra V. Doshi DIN : 00123243	5	1	2	1. Graviss Hospitality Limited – Independent, Non-Executive Director 2. LKP Finance Limited – Chairman, Executive Director	7,200
Mr. Mufazzal Federal DIN : 03409798	-	-	-	-	Nil
Mr. S. K. Palekar DIN : 01723670	1	1	1	$1. Huhtamaki PPL Limited - Independent, Non-Executive Director	Nil
Mr. Hiten V. Parekh DIN : 00037550 Joint Managing Director	-	-	-	-	NA
Mr. Manish V. Parekh DIN : 00037724 President and Executive Director (Furniture)	-	-	-	-	NA
Mr. Nayan S. Parekh DIN : 00037597 President and Executive Director (Material Handling)	-	-	-	-	NA
Mr. Sharad V. Parekh DIN : 00035747 Managing Director	-	-	-	-	NA
Mr. Vamanrai V. Parekh DIN : 00037519 Chairman	-	-	-	-	1,00,000

*Excludes Directorship and Committee chairmanship / membership in Private Companies, Foreign Companies, Section 8 Companies and Nilkamal Limited.

** Only Audit Committee and Stakeholder's Relationship Committee of Public Limited Company (whether listed or not) has been consider as per Regulation 26(1) of the Listing Regulations.

$ Mr. S. K. Palekar ceased to be a Director in Huhtamaki PPL Limited w.e.f. May 9, 2019.

Separate Meeting of Independent Directors

As required under the Listing Regulations, the Independent Directors held one separate meeting on January 25, 2019. The Independent Directors discussed and reviewed the matters specified in Regulation 25(4) of the Listing Regulations.

Further, as a part of familiarization programme, the Board members are provided with necessary documents, reports, internal policies, amendments to the various enactments, statutory laws, etc., to enable them to familiarise themselves with the Company's operations. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, business strategy and business risks. The details pertaining to the familiarisation program can be accessed at the Company's weblink at https://nilkamal.com/wp-content/uploads/2019/05/familiration_programme_2016.pdf

In addition to the same, any new Director is welcomed to the Board of Directors of the Company by sharing a tool kit containing various policies of the Company for his reference.

Number of Board Meetings held and the dates on which held

There were four Board Meetings of the Company held during the financial year 2018-2019 on the following dates: May 11, 2018, August 3, 2018, October 29, 2018 and January 25, 2019.

Mr. Vamanrai V. Parekh and Mr. Sharad V. Parekh are brothers. Further, Mr. Hiten V. Parekh and Mr. Manish V. Parekh are sons of Mr. Vamanrai V. Parekh and Mr. Nayan S. Parekh is son of Mr. Sharad V. Parekh.

Except the above there are no inter-se relationships among the Directors.

Matrix setting out the skills/expertise/competence required in the context of its business for it to function effectively and those actually available with the Board:-

Sr. No.	Areas of expertise Required	Description	Skill areas actually available with the Board
1.	Strategy and planning	Ability to think strategically; identify and critically assess strategic opportunities and threats. Develop effective strategies in the context of the strategic objectives of the Company, relevant policies and priorities.	Yes
2.	Governance, Risk and Compliance	Experience in the application of Corporate Governance principles. Ability to identify key risks to the Company in a wide range of areas including legal and regulatory compliance.	Yes
3.	Financial	Comprehensive understanding of financial accounting, reporting and controls and analysis.	Yes
4.	Sales, Marketing & Brand building	Experience in developing strategies to grow sales and market share, build brand awareness and equity, and enhance enterprise reputation.	Yes

3. AUDIT COMMITTEE

The composition of the Audit Committee and the scope of its activities and powers are in conformity with and includes the areas prescribed under the Regulations 18 of the Listing Regulations and Section 177 of the Companies Act, 2013 and the rules framed thereunder. The Audit Committee comprises of four Non-Executive Directors who are well versed with the financial matters and corporate laws. The Audit Committee met four times on May 11, 2018, August 3, 2018, October 29, 2018 and January 25, 2019. The necessary quorum was present for all the meetings. The Chairman of the Audit committee was present at the last Annual General Meeting of the Company held on June 30, 2018.

Details of the composition of the Audit Committee and attendance of the Members are as follows:

Name	Category	Position	No. of Meetings	
			Held	Attended
Mr. K. R. Ramamoorthy	Independent, Non- Executive	Chairman	4	4
Mr. Mahendra V. Doshi	Independent, Non-Executive	Member	4	4
Mr. Mufazzal Federal	Independent, Non-Executive	Member	4	4
Mr. Vamanrai V. Parekh	Non-Executive	Member	4	4

The Company Secretary acts as the Secretary to the Committee.

The Audit Committee invites the Managing Director, Executive Directors, Senior Executives representing various functional areas of the Company, Statutory Auditors and Internal Auditors at its Meetings.

Terms of Reference:

The terms of reference of the Audit Committee (AC) has been reviewed by the Board of Directors at its meeting held on January 25, 2019, which covers the areas mentioned in Section 177 of the Act and Regulation 18 read with Part C of Schedule II to the Listing Regulations. The terms of reference of the AC, inter-alia are as follows:

1. Audited and Un-audited financial results;
2. Internal Audit reports, risk management policies and reports on internal control system;
3. Discusses the larger issues that are of vital concern to the Company including adequacy of internal controls and adequacy of provisions for liabilities, etc.;
4. Transactions proposed to be entered into by the Company with related parties and approves such transactions including any subsequent modifications thereto;
5. Functioning of Whistle Blower Policy; and
6. Recommends proposals for appointment and remuneration payable to the Statutory Auditor and Internal Auditors and also the proposal for appointment of Chief Financial Officer. The Audit Committee also reviews adequacy of disclosures and compliance with all relevant laws.

In addition to the aforesaid, the Committee also looks into the matters as are specifically referred to it by the Board of Directors besides looking into the mandatory requirements of the Listing Regulations as amended from time to time and that of the Act.

4. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee presently consists of three Non-Executive Directors, all being independent. The Committee met two times in 2018-2019 on May 11, 2018 and January 25, 2019. The necessary quorum was present for both the meetings. The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company held on June 30, 2018. The composition of the Committee during 2018 and the details of meetings held and attended by the members are as under:

Name	Category	Position	No. of Meetings	
			Held	Attended
Mr. K. R. Ramamoorthy	Independent, Non- Executive	Chairman	2	2
Mr. Mahendra V. Doshi	Independent, Non-Executive	Member	2	2
Mr. Mufazzal Federal	Independent, Non-Executive	Member	2	2

The Company Secretary acts as the Secretary to the Committee.

The terms of reference of the Nomination and Remuneration Committee (NRC) has been reviewed by the Board of Directors at its meeting held on January 25, 2019, which covers the areas mentioned in Section 178 of the Act and Regulation 19 read with Part D (A) of Schedule II to the Listing Regulations. The terms of reference of the NRC, inter-alia are as follows:

1) To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director and recommend to the Board, policies relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
2) To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;
3) To formulate the criteria for evaluation of the Independent Directors and the Board;
4) To devise a policy on Board diversity.
5) Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
6) Recommend to the board, all remuneration, in whatever form, payable to Senior Management.

Performance evaluation:

Pursuant to the provisions of the Companies Act, 2013 and the applicable provisions of the Listing Regulations,the Annual Performance Evaluation was carried out for the financial year 2018 - 19 by the Board in respect of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration, Stakeholders' Relationship and Corporate Social Responsibility Committees. A structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance was prepared after taking into consideration the Guidance note issued by SEBI vide circular no, CMD/CIR/P/2017/004 dated 05.01.2017.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as guidance/ support to management outside Board/ Committee meetings, degree off ulfilment of key responsibilities, effectiveness of meetings etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The Directors expressed their satisfaction with the evaluation process.

Remuneration to Directors:

The Company has a well-defined policy for the remuneration of the Directors, Key Managerial Personnel and other employees. The said policy was approved by the Board at its meeting held on May 12, 2015 based upon the recommendation of the Nomination and Remuneration Committee.

The Board of Directors / Nomination and Remuneration Committee is authorized to decide the remuneration of the Executive Directors, subject to the approval of the members. The remuneration structure comprises of salary, perquisites, retirement benefits as per law / rules and commission which is linked to the performance of the Company.

Annual increments are decided by the Board of Directors within the salary scale approved by the members. Each of the Executive Directors is entitled to commission to the extent of 1% of the net profits of the Company over and above the net profits of ₹ 50.00 crores.

The agreement with the Executive Directors is for a specified period. Either party to the agreement is entitled to terminate the agreement by giving not less than three months' notice in writing to the other party. Further, in case of termination of agreement by the Company, a severance fee of three months’ remuneration shall be paid.

The Company does not have a scheme for grant of stock options.

The Company has a policy for determining the remuneration of the Non-Executive Directors of the Company. The Company remunerates its Non-Executive Directors by way of sitting fees for attending each meeting of the Board and / or Committee, and the same is paid within the limits laid down in the Companies Act, 2013 read with the Rules framed thereunder. The remuneration determined for the Non-Executive Directors is subject to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors.

The Board of Directors at their Meeting held on January 25, 2019, revised the sitting fees payable to the Independent Directors for attending Board as well as Committee Meetings. The revised sitting fee for Board Meeting is ₹ 1,00,000 per meeting, for Audit Committee meetings is ₹ 75,000 per meeting, for separate meeting of Independent Directors is ₹ 50,000 per meeting, for Nomination and Remuneration Committee meeting is ₹ 30,000 per meeting, for Corporate Social Responsibility Committee is ₹ 15,000 per meeting. Further the Board has also approved the payment of sitting fees of ₹ 25,000 per meeting for Stakeholders Relationship Committee w.e.f. April 1, 2019.

The details of remuneration paid to the Directors for the financial year 2018-2019 are given below:

Name of the Director	Salary & perquisites (₹)	Commission for the FY 2018-2019 (payable in FY 2019-2020)	Sitting fees (₹)	Total (₹)	No. of Shares held as on 31-03-2019
Ms. Hiroo Mirchandani	N.A.	N.A.	300,000	300,000	Nil
Mr. K. R. Ramamoorthy	N.A.	N.A.	515,000	515,000	Nil
Mr. K. Venkataramanan	N.A.	N.A.	300,000	300,000	Nil
Mr. Mahendra V. Doshi	N.A.	N.A.	505,000	505,000	7,200
Mr. Mufazzal S. Federal	N.A.	N.A.	505,000	505,000	Nil
Mr. S. K. Palekar	N.A.	N.A.	250,000	250,000	Nil
Mr. Vamanrai V. Parekh	N.A.	N.A.	425,000	425,000	100,000
Mr. Hiten V. Parekh	24,142,606	12,525,000	N.A.	36,667,606	1,937,258
Mr. Manish V. Parekh	24,108,900	12,525,000	N.A.	36,633,900	1,551,563
Mr. Nayan S. Parekh	23,669,205	12,525,000	N.A.	36,194,205	2,234,704
Mr. Sharad V. Parekh	24,844,239	12,525,000	N.A.	37,369,239	100,000

Notes:

1. Sitting fees include fees for attending the Board Meetings, Audit Committee Meetings, Nomination and Remuneration Committee Meetings, Corporate Social Responsibility Committee Meeting and Independent Director’s Meeting.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Company's Stakeholders' Relationship Committee is responsible for the satisfactory redressal of investor complaints. During the year under review, the Committee met three times on May 5, 2018, August 9, 2018, and October 10, 2018. The composition and details of the meetings attended by the members are given below:

Name	Category	Position	No. of Meetings	
			Held	Attended
Mr. Vamanrai V. Parekh	Non-Executive	Chairman	3	3
Mr. Sharad V. Parekh	Executive	Member	3	3
Mr. Hiten V. Parekh	Executive	Member	3	3

Ms. Priti P. Dave, Company Secretary is the "Compliance Officer" who oversees the redressal of the investors' grievances.

In terms of the recently notified Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, at least three directors, with at least one being an Independent Director, shall be members of the Stakeholders Relationship Committee. Hence in accordance with the said regulations Mr. K. Venkataramanan, Independent Director of the Company has been appointed as a member of the said Committee w.e.f. April 1, 2019.

Terms of Reference:

The terms of reference of the Stakeholders Relationship Committee (SRC) has been reviewed by the Board of Directors at its meeting held on January 25, 2019, which covers the areas mentioned in Section 178 (5) of the Act and Regulation 20 read with Part D (B) of Schedule II to the Listing Regulations.

1) Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
2) Review of measures taken for effective exercise of voting rights by shareholders.
3) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

During the year, the Company had received 8 complaints from shareholders, which were disposed-off within due time and there were no complaints which had remained unresolved at the end of the year. Further, no investor grievance has remained unattended / pending for more than thirty days.

The Company has assigned its share transfer and dematerialisation work to M/s. Link Intime India Private Limited, Registrar and Transfer Agents. As on March 31, 2019 there were 10 dematerialisation requests for 1,528 Equity Shares and 6 share transfer request for 628 Equity Shares were pending for approval with the Registrars.

6. GENERAL BODY MEETINGS

Details of the location of the last three Annual General Meetings (AGM) and details of the special resolutions passed:

<table>
<tr><th>Annual General Meeting (AGM)</th><th>Date</th><th>Time</th><th>Venue</th><th>Special Resolution Passed</th></tr>
<tr><td>32nd AGM</td><td>30-06-2018</td><td rowspan="3">12.00 noon</td><td rowspan="3">Survey No. 354/2 and 354/3, Near Rakholi Bridge, Silvassa - Khanvel Road, Vasona, Silvassa – 396 230, Union Territory of Dadra & Nagar Haveli.</td><td>1. Re-appointment of Ms. Hiroo Mirchandani as an Independent Director for a period of five years.
2. Re-classification of Ms. Rajul Manoj Gandhi and Mr. Manoj Kantilal Gandhi from 'Promoter / promoter group category' to 'Public category.</td></tr>
<tr><td>31st AGM</td><td>08-08-2017</td><td>NIL</td></tr>
<tr><td>30th AGM</td><td>11-08-2016</td><td>NIL</td></tr>
</table>

All special resolutions set out in the Notices for the Annual General Meetings were passed by the Members at the respective meetings with requisite majority.

Postal Ballots

During the year 2019, the Company has carried out a Postal Ballot to seek approval of Members for:

1. Approval for continuation of Directorship of Mr. Vamanrai V. Parekh (DIN 00037519), who is above 75 years of age, as a Non-Executive Director.
2. Approval for continuation of the existing tenure of directorship of Mr. K. R. Ramamoorthy (DIN 00058467), who is above 75 years of age, as an Independent Director and re-appointment of Mr. K. R. Ramamoorthy as an Independent Director for a second term of 5 years from the date of the Annual General Meeting of the Company to be held in the calendar year 2019.

The Members of the Company have approved both the aforesaid proposals with requisite majority.

Scrutinizer for the Postal Ballot exercise:-

Mr. Pratik M Shah, Practising Company Secretaries, Mumbai was appointed to act as the scrutinizer for conducting the postal ballot and e-voting.

Procedure for Postal Ballot:-

i. The Board of Directors of the Company, vide resolution dated January 25, 2019 had appointed Mr. Pratik M. Shah as the scrutinizer.

ii. The Company had completed the dispatch of the Postal Ballot Notice dated January 25, 2019 together with Explanatory Statement on February 20, 2019 along with form and postage prepaid business envelopes to all the shareholders whose name(s) appeared on the Registers of Members/list of beneficiaries as on February 8, 2019.

iii. The voting under the Postal Ballot was kept open from February 23, 2019 to March 24, 2019 (either physically or through electronic mode).

iv. Particulars of Postal Ballot forms received from the Members using the electronic platform of Link Intime India Private Limited were entered in a register separately maintained for the purpose.

v. The Postal Ballot forms were kept under the safe custody of the Scrutinizer in locked ballot box before commencing the scrutiny of such postal ballot forms.

vi. All Postal Ballot forms received by the Scrutinizer upto 5 p.m. on March 24, 2019 had been considered for his scrutiny. Postal Ballot forms received after the date had not been considered.

vii. On March 27, 2019, the Chairman announced the above results of the Postal Ballot as per the Scrutinizer's Report.

7. DISCLOSURES

a) Related Party Transactions

The Company has formulated a policy on Materiality of and dealing with Related Party Transactions. The Policy is available on the website of the Company at the link https://nilkamal.com/wp-content/uploads/2019/01/Whistle-Blower-Policy.pdf

There are no materially significant transactions with the related parties that had potential conflict with the interest of the Company. All these transactions are in the normal course of business and are carried out on an arm's length basis.

b) Compliance

There was no non-compliance by the Company and no penalties or strictures were imposed on the Company by the Stock Exchanges or Securities and Exchange Board of India (SEBI), or any statutory authority on any matter related to the capital markets during the last three years.

c) Whistle Blower Policy

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and the provisions of Listing Regulations, the Company has a Whistle Blower Policy for establishing a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The said mechanism also provides for adequate safeguards against victimisation of persons who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. We affirm that no employee of the Company was denied access to the Audit Committee. The said Whistle Blower Policy has been hosted on the website of the Company at the link https://nilkamal.com/wp-content/uploads/2019/01/Whistle-Blower-Policy.pdf

d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements under the Listing Regulations

During the year, the Company has complied with the mandatory requirements as stipulated in Listing Regulations.

With respect to the compliance with the non-mandatory requirements pursuant to Regulation 27(1) of the SEBI Listing Regulations, the Company has adopted the following non-mandatory requirements:

i) The Chairman being Non-Executive Director, an office is made available for his use during his visits to the Company and is reimbursed the expenses incurred towards the performance of his duties.

ii) During the year under review, there is no audit qualification on the Company's financial statements. Your Company continues to adopt best practices to ensure a regime of unmodified audit opinion.

iii) The position of Chairperson of Board and the Managing Director are separate.

iv) The Internal Auditor of the Company reports to the Chief Financial Officer and has direct access to the Audit Committee.

e) **Material Subsidiary**

During the year ended March 31, 2019, the Company does not have any material listed/unlisted subsidiary companies as defined in Regulation 16 of the Listing Regulations. The Company has framed the policy for determining material subsidiary as required by under Regulation 16 of the Listing Regulation and the same is disclosed on the Company's website. The weblink is the link https://nilkamal.com/wp-content/uploads/2019/03/Policyonmaterialityofanddealingwithrelatedparty_290120191.pdf

f) **Commodity Price Risk / Foreign Exchange Risk and Hedging activities**

The Company is exposed to foreign exchange risk on account of import and export transactions and also by way of External Commercial Borrowings (ECB's). The Company is proactively mitigating these risks by entering into commensurate hedging transactions as per the Company's Enterprise Risk Management Policy.

g) **Certificate from Company Secretary in practice**

The Company has received a certificate from Mr. Pratik M. Shah, Practising Company Secretaries, Mumbai that none of the Directors on the board of the company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Board/Ministry of Corporate Affairs or any such statutory authority The Certificate of Company Secretary in practice is annexed herewith as a part of the report.

h) During the financial year 2018-2019, the Board has accepted all the recommendations of its Committees.

i) Details of workplace sexual harassment complaints reported as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Sr. No.	Particulars	No. Of. Complaints
1	Number of complaints filed during the financial year 2018-19	1
2.	Number of complaints disposed of during the financial year 2018-19	1
3.	Number of complaints pending as on end of the financial year 2018-19	0

j) Total fees for all services paid by the Listed Entity and its Subsidiaries, on a Consolidated basis, to the Statutory auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part is given below:

(₹ in Lakhs)

Payment to Statutory Auditors	37.00
Other Services	5.95
Reimbursement of expenses	3.46
Total	**46.41**

8. CEO / CFO CERTIFICATION

The Managing Director & Chief Financial Officer (CFO) have issued certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs.

9. MEANS OF COMMUNICATION

- The Company's unaudited quarterly financial results are announced within forty-five days of the close of the quarter and its audited annual financial results are announced within sixty days from the close of the financial year as per the requirements of the Listing Regulations. The aforesaid financial results are sent to BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE) where the Company's securities are listed, immediately after these are approved by the Board.
- The financial results are published in Mint (English) and Daman Ganga Times.

  The Company's results, official news releases and presentations made to Institutional Investors/ Analysts, if any, are displayed on the Company's website www.nilkamal.com. Further, the said results are also e-mailed to the shareholders on their registered e-mail IDs.
- The Annual Report is circulated to all members, and is also available on the Company's website.

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting

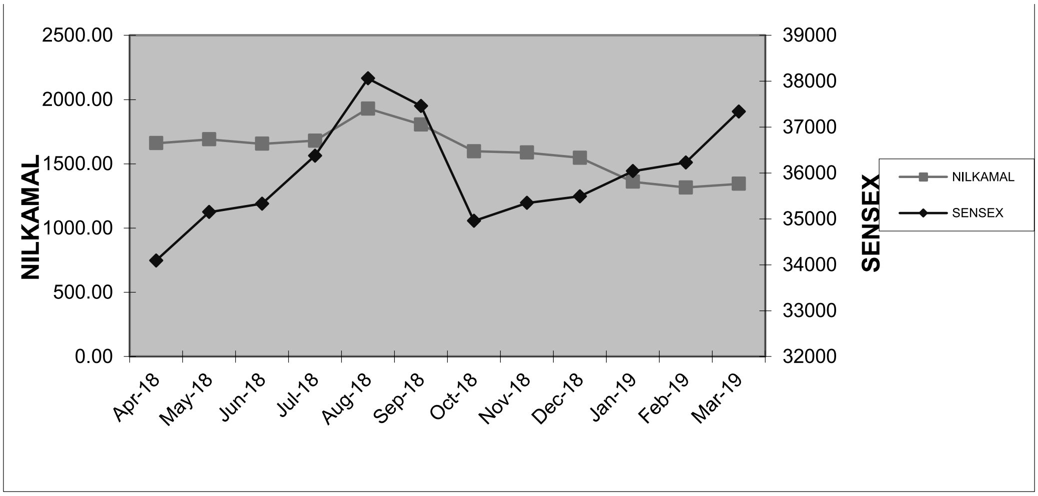
Date & Time	Friday, June 28, 2019 at 12.00 noon.
Venue	Survey No. 354/2 & 354/3, Near Rakholi Bridge, Silvassa Khanvel Road, Vasona, Silvassa-396 230, Union Territory of Dadra & Nagar Haveli.
Financial Calendar	Financial Year: April 1, 2019 to March 31, 2020 Results for Quarter ending : June 30, 2019 — Before August 14, 2019. September 30, 2019 — Before November 14, 2019. December 31, 2019 — Before February 14, 2020. March 31, 2020 — Before May 30, 2020.
Date of Book Closure	From June 22, 2019 to June 28, 2019 (both days inclusive)
Dividend payment date	Between July 2, 2019 to July 12, 2019.
Listing on Stock Exchanges	1. The BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001. 2. National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051.
Stock Code	1. The BSE Limited – 523385 2. National Stock Exchange of India Limited – NILKAMAL
Demat ISIN in NSDL and CDSL for Equity Shares	INE310A01015
Corporate Identification Number (CIN)	L25209DN1985PLC000162

The Company has paid the Annual Listing fees to each of the above Stock Exchanges, for the Financial Year 2018-2019.

Market Price Data

BSE Limited			**National Stock Exchange of India Ltd.**		
Month	**High(₹)**	**Low(₹)**	**Month**	**High(₹)**	**Low(₹)**
April, 2018	1,796.05	1,524.20	April, 2018	1,795.00	1,525.20
May, 2018	1,769.00	1,611.10	May, 2018	1,759.50	1,628.90
June, 2018	1,727.95	1,583.00	June, 2018	1,735.00	1,585.40
July, 2018	1,810.00	1,548.70	July, 2018	1,820.00	1,552.10
August, 2018	2,133.30	1,726.55	August, 2018	2,134.00	1,725.00
September, 2018	1,981.35	1,631.05	September, 2018	1,987.35	1,630.00
October, 2018	1,700.00	1,495.00	October, 2018	1,685.00	1,475.00
November, 2018	1,650.00	1,524.15	November, 2018	1,632.00	1,530.00
December, 2018	1,654.80	1,440.00	December, 2018	1,654.00	1,443.35
January, 2019	1,490.65	1,229.65	January, 2019	1,487.00	1,220.15
February, 2019	1,400.00	1,232.00	February, 2019	1,364.95	1,228.25
March, 2019	1,447.45	1,242.00	March, 2019	1,453.60	1,247.95

Performance in comparison to broad-based indices such as BSE Sensex Share Price Movement during each month of the financial year 2018-2019*



*** Sources www.bseindia.com.**

Registrar and Transfer Agents and Share Transfer System

M/s. Link Intime India Private Limited (Link Intime), C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai: 400083; Tel: 022-49186270, Fax: 022-49186060, Email: rnt.helpdesk@linkintime.co.in are the Registrar and Share Transfer Agents for physical shares of the Company. They are also the depository interface of the Company with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2019

No. of equity shares held	No. of Shareholders	% of Shareholders	No. of shares held	% of Shareholding
1-500	26,337	97.52	1,190,222	7.98
501 to 1000	320	1.18	242,215	1.62
1001 to 2000	168	0.62	251,423	1.68
2001 to 3000	46	0.17	114,136	0.76
3001 to 4000	20	0.08	67,267	0.45
4001 to 5000	21	0.08	98,013	0.66
5001 to 10000	35	0.13	238,530	1.60
10001 and above	60	0.22	12,720,719	85.25
Total	**27,007**	**100.00**	**14,922,525**	**100.00**

Shareholding Pattern as on March 31, 2019

Category	No. of Shareholders	Voting Strength (%)	No. of shares
Promoter and Promoter Group	17	63.97	9,545,746
Mutual Funds	8	13.59	2,028,402
Alternate Investment Funds	2	0.04	6,300
Foreign Portfolio Investor	33	2.43	362,185
Financial Institution / Bank	4	0.08	12,427
Body Corporate	302	2.07	308,955
Public & Others	26108	17.82	2,658,510
Total	**26,474**	**100**	**14,922,525**

Note: As per the SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2017/128 dated December 19, 2017, the number of shareholders mentioned here are consolidated on a PAN basis.

Dematerialisation of shares and liquidity

99.14% of the Company's Share Capital is dematerialised as on March 31, 2019. The Company's shares are regularly traded on the BSE Limited and the National Stock Exchange of India Limited.

Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity

As on date, the Company has not issued GDRs, ADRs or any other Convertible Instruments.

Plant Locations

The Company's plants are located at Barjora (West Bengal), Bhiwandi and Sinnar (Maharashtra), Dharuhera (Haryana), Hosur (Tamilnadu), Jammu (Jammu and Kashmir), Kharadpada and Vasona (Union Territory of Dadra and Nagar Haveli), Noida (Uttar Pradesh) and Puducherry (Puducherry).

Address for Correspondence

Investors can communicate at the following addresses:

1. **Ms. Priti P. Dave – Company Secretary**
   Nilkamal Limited
   Nilkamal House,
   77/78, Road No. 13/14, MIDC,
   Andheri-East, Mumbai 400 093.
   Tel:- 022-42358888 Fax:- 022-26818080
   E-mail:- investor@nilkamal.com
2. **M/s. Link Intime India Private Limited**
   Registrar and Transfer Agents
   C-101, 247 Park, L.B.S. Marg,
   Vikhroli West, Mumbai : 400083
   Tel: 022-49186270, Fax: 022-49186060
   Email: rnt.helpdesk@linkintime.co.in

Credit Ratings

The Credit Ratings of the Company for all the debt instruments as on March 31, 2019 is as below:-

Bank Facilities	Rating
Long Term Bank Facilities	CARE AA; Stable (Double A)
Short Term Bank Facilities	CARE A1+ (A One Plus)

MANAGING DIRECTOR'S DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT

To the Members of

NILKAMAL LIMITED

I hereby confirm that all the members of the Board and Senior Management have affirmed compliance with the Code of Conduct framed by the Company.

For **Nilkamal Limited**

Sharad V. Parekh
Managing Director

Place: Mumbai
Date: May 2, 2019

CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

The Members,

Nilkamal Limited

Sub: Certificate as per Clause (10) (i) of Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015

I, Pratik M. Shah, Company Secretary in Practice, hereby state that based on the examination of records and documents provided by the management of the company, its officers and written representations received from the Directors of the Company, it is certified that as on March 31, 2019, none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of company by the Board/Ministry of Corporate Affairs or any such statutory authorities.

PRATIK M. SHAH
Company Secretaries
FCS No.: 7431
CP No.: 7401

Place: Mumbai
Date: May 2, 2019

MANAGING DIRECTOR / CFO CERTIFICATION

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Nilkamal Limited ("the Company") to the best of our knowledge and belief certify that:

(a) We have reviewed Financial Statements and the Cash Flow Statement for the year ended March 31, 2019 and that to the best of our knowledge and belief:

   i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

(c) We accept responsibility for establishing and maintaining Internal Controls for financial reporting and that we have evaluated the effectiveness of Internal Control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such Internal Controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the Auditors and the Audit Committee, if any;

   i) Significant changes in the Internal Control over financial reporting during the year ended March 31, 2019;

   ii) Significant changes in accounting polices during the year ended March 31, 2019 and that the same have been disclosed in the notes to the Financial Statements; and

   iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's Internal Control System over financial reporting.

For Nilkamal Limited

Date: May 11, 2019
Place: Mumbai

Sharad V. Parekh
Managing Director

Paresh B. Mehta
Chief Financial Office

Independent Auditors' Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Members of Nilkamal Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated February 28, 2019.
2. This report contains details of compliance of conditions of corporate governance by Nilkamal Limited ('the Company') for the year ended March 31, 2019 as stipulated in regulations 17-27, clause (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock exchanges.

Management's Responsibility for compliance with the conditions of Listing Regulations

3. The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

Auditors' Responsibility

4. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended March 31, 2019.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the' Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

10. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022
UDIN: 19048648AAAAAI8691

Sadashiv Shetty
Partner
Membership No: 048648

Mumbai
May 11, 2019

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENT OPPORTUNITIES, THREATS, RISKS, CONCERNS AND OUTLOOK:-

The Indian economy started the fiscal year 2018-19 with a healthy eight per cent growth in the June 2018 quarter,however India's real gross domestic product growth dropped to a five-year low of seven per cent in 2018-2019. The slowdown in the Indian economy emanated from sectors like housing, agriculture, auto, manufacturing and trade, and services etc.

The priority to revive economic growth against the persistent high fiscal deficit, flattening tax revenues, failure of business models in some of the sector such as infrastructure, agriculture are key challenges for the government

Plastic Division

The **Plastic Business** has achieved a volume growth of 7% and value growth of 13%. During the Financial Year 2018-19 it has achieved total turnover of ₹ 2093 Cr. as compared to ₹ 1856 Cr. in the previous year.

Furniture Business recorded a growth of 12% in value terms over the previous year. This business focuses on 3 major verticals i.e. Moulded Furniture, Ready Furniture and Mattress, a combination which by itself is a unique business model leveraging the benefit of wide network of distributors and retailers spread across all the districts on a pan India basis. This helps the channel partners to source all type of Furniture requirements of their customers in the furniture domain from a single principal. This is in a way win win proposition for the channel partners as it provides sustainable growth and profitability and also helps them to build a lifelong customer base horizon as the products serve the customer’s needs during each stage of their life cycle. The product portfolio which starts from the basic plastic chair/ plastic storage solution/ Dining Tables evolves further into all segments like bedroom, dining, living room, essentials and mattresses which are needed at different points during their aspirational home building journey. The company has also spread its product portfolio to serve the institutional segment especially in segments like office seating, desking and storage solutions. The product assortment covers both the large institutions and small office/home office’s needs.

Both the ready furniture and mattress industry have displayed double digit growth and we firmly believe that this growth rate would continue at the same levels in the years to come with the per capita income growth and lifestyle changes which are rapidly taking place due to the India growth story.

In the moulded business the Company has introduced around 10 new products all of which were well accepted in the market. This is one of the main reasons why we could deliver a growth of over 5% in the last financial year in a highly competitive market with around 150 plus regional players. To keep up the momentum, the company is planning to further augment the range of differentiated products in the chair and storage segment in the financial year 2019-20 to fill the gaps and bring in product freshness. The distribution base spread across every district of our vast country will increase the visibility quotient and this coupled with our ability to manage supply chain equation at a lower cost as compared to industry norms would be our “right to win” because of our multi segment/ multi locational plants serving as a strong differentiating factor. Our strong supply chain system backed by 40 depots will also help our channel partners to reduce their inventory and enhance their return on investment apart from having an edge of delivering our products efficiently to even the remotest corner of the country. The multi locational production facilities has helped us immensely in enhancing the market penetration and improve our fill rate to the general trade, modern trade and E-Commerce portals across the country. Your company would be investing in technology to further support the seamless supply chain management expertise and would continue to focus on this aspect in the current year.

During the financial year we have added 18 Franchise showrooms which is in addition to the already existing 44 Nilkamal home ideas and furniture ideas showrooms. These showrooms would be showcasing all the verticals marketed by the company and they would be backed by continuous investment in ATL and BTL activities to improve the directional selling drive. This is based on our strong belief that it will augment the strong recall of Nilkamal brand in the existing more than 6 Cr. strong household base built over 4 decades. The company plans to appoint additional 20 franchisee in targeted centers in the financial year 2019-20.

In the mattress segment the company has been making a steady growth with a 30% CAGR over the last 3 years and emerged as national player in all the 3 segments i.e. coir, spring and foam. Your company has put up production facilities in all the 4 zone’s of the country. We have introduced quality products in the medium and premium segments which has been well accepted by the trade. The Company believe that it would be in a position to grow 2-3 times the industry growth rate, the focus being on improving our reach and penetration through our 1,000+ distributors spread across the country and developing differentiated products.

We strongly believe that a stable GST regime and strictness in implementation of E-Way bill will reduce the proliferation of unorganised players resorting to unethical practices of evasion of taxes and this itself will lead to a level playing field helping the organised sectors to grow their revenues. Being a leader any positive impact would result in incremental gains for your Company.

Stability in crude prices and strengthening of our currency would also be aiding factors in the short and medium term. However any adverse fluctuations or uncertainty in the political environment can be a cause for concern as it would impact the growth and margins in the medium term.

Material Handling Business

Financial Year 2018-19 began on strong note of growth in 3 Quarters and then into a slowdown effect resulting in overall increase in revenues of 14% for Material Handling business. This business has unique value propositions in terms of protecting customer's products, improve customer's storage efficiency & increase customer's labour productivity.

Consolidation in B2B businesses after GST implementation combined with high growth of E-commerce has resulted in increase in demand for larger warehouses requiring usage of Material Handling products, thereby increasing the demand, especially for Pallets backed by industries shift to plastic pallets from conventional wooden pallets.

Many new models of crates for reducing reverse logistics costs for customers are being introduced which have a very good scope in auto & E-commerce which along with additional capacities being created in south will poise well to cater to the growing demand in southern region by being closer to customers.

Sales of our products for waste management & road safety grew by 40% during the year and continue to see high potential riding the Government's initiatives of Swachha Bharat and infrastructure developments.

New product ranges making our offering a complete "One Stop Solution" for intralogistics material handling with additional capacities in different geographical regions of India and focus on reduction of costs will further strengthen our position as market leader in the segment.

Initiative of " Improve Man Power Productivity " and "FIT for GROWTH" of automation in manufacturing , reorganization of warehouse locations, use of BI tools for truck loading have started showing positive results & full benefits of same will be realised in the coming years.

Recent slowdown in automobile & industrial Sectors, rising crude prices due to global politics impacting raw material prices and below normal monsoon are challenges to revenue growth & profitability for the coming Year.

All our three ventures Cambro Nilkamal Pvt Ltd, Nilkamal Bito Storage system Pvt ltd and Nilkamal Crates & Bins, Ajman continued to have strong growth in financial year 2018-19.

Our twin pronged approach of appointing strong dealers and an increased field sales force targeting hotels, corporates, industrial canteens, restaurants, caterers and fast food chains coupled with a large increased product range contributed to the success of hospitality Joint Venture. With products catering to all price segments and strategically placed inventory, servicing all geographic locations promptly, aided the said Joint Venture to perform well.

Our racking and shelving Joint Venture has been successful in tapping into ongoing warehousing infrastructure developments triggered by the introduction of GST. We expect strong growth as warehousing development in India is considered to be in nascent stage and increase demand for warehousing & distribution centers for full fill ment by all type of industries, retailers and E-commerce players will continue in foreseeable future.

BubbleGUARD today is still a nascent and growing product category. We have achieved sales growth of 210% year on year on a small base and are targeting to double the top line during the current financial year.

There is huge scope of growth as calls for single-use packaging and non-sustainable materials to be discontinued grows. We have just introduced Pallet GUARD as a returnable space-saving solution and all our products are engineered for reusability and recyclability. This will be the future of packaging which will boost us to continue to develop innovative products.

The current market capacity is able to sustain the current demand. We foresee this demand to rise as the material gains more acceptance in mainstream applications. Excessive capacity in the market or counterfeit material poses a threat to low-value applications for Bubble GUARD however the packaging market in India is very large and will remain fragmented across materials.

Volatile plastic raw material pricing continues to be a concern as we see high growth coming from institutional packaging which requires 3-6 month price contracts creating uncertainty on margins.

Lifestyle Furniture, Furnishing and Accessories Division:

In its constant endeavor of making lives beautiful, @home now has 19 large format retail stores and 11 shop-in-shop stores across 21 cities and having retail footprint of more than three lakhs square feet with a robust digital presence through its own website, (www.at-home.co.in) and all prominent market places.

In FY 19, @home has achieved₹ 210.89Cr of revenue against last year ₹ 214.78 Cr. The @home business continued to remain profitable at corporate level.

The business has demonstrated financial prudence by fueling expansion using the franchise model and the Shop-In-Shop (SIS) concept. Franchise stores in Indore and Rajkot have proven profitable for both, @home and the franchisee. While franchises in Lucknow and Chennai have been signed, other proposals are also in the pipeline. The business looks to add more than 30,000 sq.ft retail space with these approaches without employing additional capital.

Digital adoption for this category is growing. Online marketplaces have invested huge marketing monies to drive interest in this category and @home is looking forward to ride the wave further by growing at more than 20% in FY 20 as well. Also, a revamp of the website will help driving web visitors to stores thereby creating offline walk-ins and higher ticket values.

@home expects the organized furniture and homeware buying share to rise, thereby helping business to grow. While it is necessary to watch out for the investment coming in from both online as well as from offline players.

Financial Review

The significant changes in the financial ratios of the Company,which are more than 25% as compared to the previous year are summarised below:-

Ratio	Particulars	Financial Year 2018-19	Financial Year 2017-18	Change (%)	Reason for change
Interest Coverage Ratio	Standalone	**11.04**	15.31	28%	Increase in interest cost as well as decrease in profit. However the said ratio is much higher than the required norms of 2.60 times.
	Consolidated	**11.48**	15.90	28%	
Debt Equity Ratio	Standalone	**0.07**	0.12	42%	This is due to reduction in debt as well as continued profitability, which has resulted in further improvement in the said ratio over the Previous year.
	Consolidated	**0.06**	0.11	45%	

CHANGE IN RETURN ON NET WORTH

The return on Net worth for the financial year 2018-19 has gone down from 15.67% to 13.23% as compared to preceding financial yeardue to decrease in profit after tax of the Company.

INTERNAL CONTROL SYSTEM AND THEIR ADEQAUCY

The Company has adequate system of internal controls commensurate with its size and nature of business to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, recorded and reported correctly.

Internal Audit Department along with the help of external professional agencies continuously monitor the effectiveness of the internal controls with an objective to provide to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the internal control. Based on their assessment, management is of the opinion that your Company maintained effective internal control over financial reporting.

Human Resources and Industrial Relations

Your Company's industrial relations continued to be harmonious during the year under review. The employee strength of your Company is currently 3042.

Cautionary Statement

The Management Discussions and Analysis Statement made above are on the basis of available data as well as certain assumptions as to the economic conditions, various factors affecting raw material prices, selling prices, trend and consumer demand and preference, governing and applicable laws and other economic and political factors. The management cannot guarantee the accuracy of the assumptions and projected performance of the Company in future. It is therefore, cautioned that the actual results may differ from those expressed and implied therein.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NILKAMAL LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Nilkamal Limited ("the Company"), which comprise the standalone Balance Sheet as at 31 March 2019, and the standalone Statement of Profit and Loss (including other comprehensive income), standalone Statement of Changes in Equity and standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition

See Note 27 to the Standalone Financial Statements

The key audit matter	How the matter was addressed in our audit
Revenue recognition Revenue is measured net of discounts and sales incentives/schemes earned by customers on the Company's sales. Due to the Company's presence across different marketing regions within the country and the competitive business environment, the estimation of the various types of discounts and sales incentives/schemes to be recognised based on sales made during the year is material and considered to be judgmental. Therefore, there is a risk of revenue being misstated as a result of erroneous estimations over discounts and sales incentives/schemes. Revenue is recognised when the control of the products being sold has transferred to the customer. Therefore, there is a risk of revenue being overstated on account of variation in the timing of transfer of control, due to the pressure management may feel to achieve performance targets at the reporting period end.	**Our audit procedures included:** a. Assessing the appropriateness of the revenue recognition accounting policies, including those relating to discounts and sales incentives/schemes by comparing with applicable accounting standards. b. Testing the design, implementation and operating effectiveness of the Company's general IT controls and key IT/manual application controls over the Company's systems which govern recording of revenue, creation of new customers, discounts and sales incentives/schemes in the general ledger accounting system. c. Performing substantive testing (including year-end cut-off testing) by selecting samples of revenue transactions recorded during the year (and before and after the financial year end), including one off sales to customers, by verifying the underlying documents, which included sales invoices/contracts and shipping documents. d. We compared the historical discounts and sales incentives/schemes to current payment trends. We also considered the historical accuracy of the Company's estimates in previous years. e. Performing substantive testing by checking samples of discounts and sales incentives/schemes transactions to supporting documentation. f. We assessed manual journals posted to revenue to identify unusual items. g. Considering the adequacy of the Company's disclosures in respect of revenue.

Information other then the financial statements and Auditors report thereon ("Other Information")

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or other wise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safe guarding of the assets of the Company and for preventing and detecting frauds and other ir regularities; selection and application of appropriate accounting policies ;making judgments and estimates that are reasonable and prudent;and design,implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

   (A) As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

   c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account

   d) In our opinion, the aforesaid standalone financial statements comply with the IndAS specified under section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements- Refer Note 35a to the standalone financial statements.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

   iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2019.

   (C) With respect to the matter to be included in the Auditors' Report under section 197(16):

   In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-10022

Sadashiv Shetty
Partner
Membership No. 048648

Mumbai
May 11, 2019

Annexure A to the Independent Auditors' Report – 31st March 2019

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2019, we report the following:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which the fixed assets are verified by the management according to a phased programme designed to cover all the items over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the programme, the Company has physically verified certain fixed assets during the year and we are informed that no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties as disclosed in Note 1 to the standalone financial statements, are held in the name of the Company other than those disclosed in the table below:

Asset class	No of cases	Gross Block (Rs in Lakhs)	Net block (Rs in Lakhs)	Remarks
Freehold land	1	0.68	0.68	Pending completion of the relevant formalities of some of the fixed assets which vested in the Company pursuant to the scheme of amalgamation, such assets continue to be in the name of the erstwhile amalgamated companies.
Buildings	26	255.19	235.15	
Freehold land	1	13.52	13.52	Pending completion of leaseback agreement, the fixed asset is in the name of buyer.

(ii) The inventory, except for goods in transit and stocks lying with third parties, has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. In respect of stocks lying with third parties at the year-end, written confirmations have been obtained. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been adequately dealt with in books of account.

(iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraphs 3 (iii) (a) and (b) of the Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanation given to us, the Company has not granted any loans during the year or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of the investments made by the Company.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits from public in accordance with provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148 (1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees' State Insurance, Income-tax, Sales-tax, Goods and Service tax, Service tax, Duty of Customs, Duty of Excise, Value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Sales-tax, Goods and Service tax, Service tax, Duty of Customs, Duty of Excise, Value added tax, cess and other material statutory dues were in arrears as at 31st March 2019 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Income-tax, Sales tax, Service tax, Duty of Customs, Duty of Excise and Value added tax as at 31st March 2019 which have not been deposited with the appropriate authorities on account of any dispute, except as stated below:

Name of the statute	Nature of dues	Amount * (Rs. in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Central Sales Tax Act and Local Sales Tax of various states	Central Sales Tax and Local Sales Tax (including Value Added Tax)	-	2001-2002 to 2004-2005	Supreme Court
		8.23	2010-11, 2013-14 2014-15, 2015-16	Commercial Tax Officer
		26.13	2012-2013 to 2014-2015	Excise and Taxation officer
		14.49	2011-2012 to 2014- 2015	Intelligence Officer of Commercial Tax
		35.24	2011-2012 to 2014- 2015	Commissioner – Appeals
		25.94	2010-11 to 2015-16	Additional Commissioner – Appeals
Central Excise Act, 1944	Excise Duty	22.95	2002-2007	Customs Excise & Service tax Appellate tribunal ("CESTAT")
		206.85	November 2011 to May 2012	Customs Excise & Service tax Appellate tribunal ("CESTAT")
		26.60	March 2007 to June 2015	Customs Excise & Service tax Appellate tribunal ("CESTAT")
		150.29	June 2009 to September 2014	Commissioner –Appeals
		10.17	2008-2013	Commissioner –Appeals
		32.88	October 2014 to March 2015	Customs Excise & Service tax Appellate tribunal ("CESTAT")
		40.60	April 2015 to December 2015	Customs Excise & Service tax Appellate tribunal ("CESTAT")
		30.88	April 2013 to September 2014	Commissioner – Appeals
Finance Act, 1994	Service Tax	0.81	2007 to 2012	Customs Excise & Service tax Appellate tribunal ("CESTAT")

* Amount is net of payments made under dispute

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks. The Company does not have any loans or borrowings from financial institutions or government or dues to debenture holders during the year.

(ix) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanations given to us the term loans taken by the Company have been applied for the purposes for which they were raised.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

(xi) In our opinion and according to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act where applicable and the details of such related party transactions have been disclosed in the standalone financial statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with relevant rules.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sadashiv Shetty
Partner
Membership No: 048648

Mumbai
May 11, 2019

Annexure B to the Independent Auditors' report on the standalone financial statements of Nilkamal Limited for the period ended 31st March 2019

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph (1(A)(f)) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Nilkamal Limited("the Company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31st March 2019, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note")

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sadashiv Shetty
Partner
Membership No: 048648

Mumbai
May 11, 2019

BALANCE SHEET AS AT 31ST MARCH, 2019

(₹ in lakhs)

	Particulars	Note	As at 31st March, 2019	As at 31st March, 2018
I.	**ASSETS**			
	1 Non-Current Assets			
	(a) Property, Plant and Equipment	1	38,218.41	32,606.11
	(b) Capital work-in-Progress		1,384.37	878.40
	(c) Other Intangible Assets	1	100.21	62.23
	(d) Financial Assets			
	(i) Investments in Subsidiaries and Joint Ventures	2	2,529.28	2,529.28
	(ii) Other Investments	3	43.14	38.32
	(iii) Loans	4	2,495.51	2,314.30
	(iv) Other Financial Assets (Net)	5	110.57	116.83
			5,178.50	4,998.73
	(e) Other Non-Current Assets	6	2,546.48	2,292.21
	Total Non-Current Assets		47,427.97	40,837.68
	2 Current Assets			
	(a) Inventories	7	38,167.80	36,860.34
	(b) Financial Assets			
	(i) Trade Receivables	8	29,870.61	33,148.88
	(ii) Cash and Cash Equivalents	9	479.29	921.15
	(iii) Bank Balances other than cash and cash equivalents	10	245.98	219.66
	(iv) Loans	11	891.55	736.72
	(v) Other Financial Assets	12	1,073.63	822.43
			32,561.06	35,848.84
	(c) Current Tax Assets (Net)		437.47	-
	(d) Other Current Assets	13	3,436.78	4,395.28
	Total Current Assets		74,603.11	77,104.46
	TOTAL ASSETS		122,031.08	117,942.14
II.	**EQUITY AND LIABILITIES**			
	1 Equity			
	(a) Equity Share Capital	14	1,492.25	1,492.25
	(b) Other Equity	15	86,946.23	78,225.31
	Total Equity attributable to equity holders of the Company		88,438.48	79,717.56
	2 Non-current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	16	4,441.81	-
	(ii) Other Financial Liabilities	17	5,326.15	4,988.95
	(b) Provisions	18	538.73	536.65
	(c) Deferred Tax Liabilities (Net)	19	1,780.35	1,072.39
	(d) Other Non-Current Liabilities	20	377.02	348.37
	Total Non-Current Liabilities		12,464.06	6,946.36
	3 Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	21	685.73	9,290.75
	(ii) Trade Payables			
	(a) Total Outstanding dues of micro enterprises and small enterprises		-	-
	(b) Total Outstanding dues of creditors other than micro enterprises and small enterprises	22	13,139.43	16,883.02
	(iii) Other Financial Liabilities	23	2,723.70	1,429.18
			16,548.86	27,602.95
	(b) Other Current Liabilities	24	3,494.47	2,250.06
	(c) Provisions	25	1,085.21	1,066.55
	(d) Current Tax Liabilities (Net)		-	358.66
	Total Current Liabilities		21,128.54	31,278.22
	TOTAL EQUITY AND LIABILITIES		122,031.08	117,942.14
	Significant accounting policies	34		

The notes referred to above form an integral part of the standalone financial statements.

AS PER OUR REPORT OF EVEN DATE ATTACHED

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sadashiv Shetty
Partner
Membership No : 048648

Mumbai
May 11, 2019

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF NILKAMAL LIMITED
CIN : L25209DN1985PLC000162

Sharad V. Parekh
Managing Director
DIN : 00035747

Hiten V. Parekh
Joint Managing Director
DIN : 00037550

Paresh B. Mehta
Chief Financial Officer
Membership No : 044670

Priti P. Dave
Company Secretary
Membership No : 19469

Mumbai
May 11, 2019

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in lakhs)

	Particulars	Note	Year ended 31st March 2019	Year ended 31st March 2018
I.	**Revenue from Operations**	26	**230,418.37**	210,795.62
II.	**Other Income**	27	**1,709.16**	773.62
III.	**Total Revenue (I+II)**		**232,127.53**	211,569.24
IV.	**Expenses:**			
	Cost of Materials Consumed		**87,440.96**	72,858.69
	Purchases of Stock in Trade		**52,012.20**	44,352.00
	Changes in inventories of Finished Goods, Stock in Trade and Work-in-Progress	28	**(3,649.41)**	(736.34)
	Excise Duty		**-**	3,679.37
	Employee Benefits Expense	29	**17,788.12**	16,433.03
	Finance Costs	30	**1,579.90**	1,249.30
	Depreciation and Amortisation Expenses	1	**4,964.07**	4,846.85
	Other Expenses	31	**56,123.27**	51,010.73
	Total Expenses		**216,259.11**	193,693.63
V.	**Profit Before Tax (III-IV)**		**15,868.42**	17,875.61
VI.	**Tax Expense:**			
	Current Tax	33	**4,810.00**	5,695.00
	Deferred Tax Charge / (Credit)	33	**733.70**	450.98
	Tax for earlier years		**(798.20)**	19.08
	Total Tax Expenses		**4,745.50**	6,165.06
VII.	**Profit for the year (V-VI)**		**11,122.92**	11,710.55
VIII.	**Other Comprehensive Income:**			
	Items that will not be reclassified to profit or loss			
	Remeasurements of defined benefit liability / (asset)		**(58.15)**	141.02
	Income Tax effect on above		**20.12**	(48.80)
	Items that will be reclassified to profit or loss			
	Effective portion of gain/ (loss) on hedging instrument in a cash flow hedge		**(141.13)**	19.94
	Income Tax effect on above		**56.22**	(6.90)
	Other Comprehensive Income for the year		**(122.94)**	105.26
	Total Comprehensive Income (VII + VIII)		**10,999.98**	11,815.81
IX.	**Earnings per equity share of Rs. 10 each** (Previous Year Rs. 10 each)	52		
	(1) Basic (in ₹)		**74.54**	78.48
	(2) Diluted (in ₹)		**74.54**	78.48
	Significant accounting policies	34		

The notes referred to above form an integral part of the standalone financial statements.

AS PER OUR REPORT OF EVEN DATE ATTACHED

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sadashiv Shetty
Partner
Membership No : 048648

Mumbai
May 11, 2019

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF NILKAMAL LIMITED
CIN : L25209DN1985PLC000162

Sharad V. Parekh
Managing Director
DIN : 00035747

Hiten V. Parekh
Joint Managing Director
DIN : 00037550

Paresh B. Mehta
Chief Financial Officer
Membership No : 044670

Priti P. Dave
Company Secretary
Membership No : 19469

Mumbai
May 11, 2019

CASH FLOW STATEMENT FOR THE YEAR ENDED ENDED 31ST MARCH, 2019

(₹ in lakhs)

			Year ended 31st March, 2019		Year ended 31st March, 2018
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit before Tax for the year		**15,868.42**		17875.61
	Adjustments for :				
	Depreciation and amortisation	**4,964.07**		4,846.85	
	Forex (Profit)/Loss on Forward Contract	**22.45**		-	
	(Profit)/Loss on sale of proprty, plant and equipment	**23.66**		(24.03)	
	Non-cash exepnses adjustment for Gratuity	**(58.15)**		92.22	
	Finance Costs	**1,579.90**		1,249.30	
	Provision for doubtful debts and advances	**196.73**		(24.23)	
	Bad Debts Written off	**123.06**		313.08	
	Interest Income	**(489.21)**		(274.83)	
	Provision for Rent Equalisation	**28.65**		68.31	
	Dividend Income on equity securities	**(515.57)**		(474.76)	
	Unrealised foreign currency Loss	**29.07**		7.61	
			5,904.66		5,779.53
	Operating Profit before Working Capital changes		**21,773.08**		23,655.14
	Working capital adjustments:				
	(Increase) in inventories	**(1,307.46)**		(4,233.01)	
	(Increase) / Decrease in trade receivables	**2,954.22**		(4,418.48)	
	(Increase) / Decrease in Other Receivables	**468.48**		(1,266.20)	
	Increase / (Decrease) in Trade Payables	**(3,768.38)**		5,929.77	
	Increase / (Decrease) in Other Liabilities & Provisions	**1,523.15**		(2,989.19)	
			(129.99)		(6,977.11)
	Cash generated from operation		**21,643.09**		16,678.03
	Direct Taxes Paid (Net of refund)	**(4,537.79)**		(5,438.74)	
			(4,537.79)		(5,438.74)
	Net cash from operating activities (A)		**17,105.30**		11,239.29
B.	**CASH FLOWS FROM INVESTING ACTIVITIES**				
	Interest Received	**283.59**		136.56	
	Dividends received	**448.34**		398.06	
	Proceeds from sale of property, plant and equipment	**267.46**		271.19	
	Acquisition of property, plant and equipment	**(11,305.57)**		(9,645.94)	
	Investment in fixed deposits (Net)	**(19.76)**		34.82	
	Net cash used in investing activities (B)		**(10325.94)**		(8,805.31)
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Receipt of Long term Borrowings	**5,233.40**		-	
	Increase/ (Decrease) in Short Term borrowings (Net)	**(8,605.02)**		1,010.19	
	Interest paid	**(1,570.54)**		(1,234.22)	
	Dividends paid (including dividend distribution tax)	**(2,279.06)**		(1,811.55)	
	Net cash flow from (used in) financing activities (C)		**(7,221.22)**		(2,035.58)
	Net increase/(decrease) in cash and cash equivalents (A + B + C)		**441.86**		398.40
	Cash and Cash Equivalents at 1 April 2018	**921.15**		522.75	
	Cash and cash equivalents at 31 March 2019	**479.29**		921.15	
	Net increase/(decrease) in cash and cash equivalents		**(441.86)**		398.40

CASH FLOW STATEMENT FOR THE YEAR ENDED ENDED 31ST MARCH 2019 (CONTD.)

Notes to the cash flow statement

1. Components of cash and cash equivalents (Refer Note - 9)

(₹ in lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
(a) Cash on Hand	**100.98**	146.05
(b) Cheques on Hand	**92.60**	120.00
(c) Balance in Current Accounts	**269.58**	624.17
(d) Bank Deposits with less than 3 months maturity	**16.13**	30.93
Cash and cash equivalents	**479.29**	921.15

2 **Debt reconciliation statement in accordance with Ind AS 7**

Opening balances				
Long-term borrowing (Refer Note - 16)	**-**		-	
Short-term borrowing (Refer Note - 21)	**9,290.75**		8,280.56	
		9,290.75		8,280.56
Movements				
Long-term borrowing	**5,233.40**		-	
Exchange Gain or restatement of long term borrowings	**(46.78)**		-	
Short-term borrowing	**(8,605.02)**		1,010.19	
		(3,418.40)		1,010.19
Closing balances				
Long-term borrowing (Refer Note - 16)	**4,441.81**		-	
Current maturities of Long term borrowings (Refer Note 23)	**744.81**		-	
Short-term borrowing (Refer Note - 21)	**685.73**		9,290.75	
		5,872.35		9,290.75

3 The Cash Flow statement has been prepared under the "Indirect Method" as set out Indian Accounting Standard (Ind AS -7) Statement of Cash flows.

4 Previous year's figures have been regrouped / recasted wherever necessary.

AS PER OUR REPORT OF EVEN DATE ATTACHED

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sadashiv Shetty
Partner
Membership No : 048648

Mumbai
May 11, 2019

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF NILKAMAL LIMITED
CIN : L25209DN1985PLC000162

Sharad V. Parekh
Managing Director
DIN : 00035747

Hiten V. Parekh
Joint Managing Director
DIN : 00037550

Paresh B. Mehta
Chief Financial Officer
Membership No : 044670

Priti P. Dave
Company Secretary
Membership No : 19469

Mumbai
May 11, 2019

Statement of Changes in Equity (SOCIE) for the year ended 31st March, 2019

(a) Equity share capital

(₹ in lakhs)

	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the reporting period	**14,922,525**	**1,492.25**	14,922,525	1,492.25
Changes in equity share capital during the year	**-**	**-**	-	-
Balance at the end of the reporting period	**14,922,525**	**1,492.25**	14,922,525	1,492.25

(b) Other equity

(₹ in lakhs)

Particulars	Reserves and Surplus			Other Reserve	Total
	Retained Earnings	Securities Premium	General Reserve	Effective portion of cash flow hedges	
Balance at April 1, 2017	30,677.21	6,448.96	31,115.16	(20.28)	68,221.05
Profit for the year	11,710.55	-	-	-	11,710.55
Other comprehensive income for the year	92.22	-	-	13.04	105.26
Total comprehensive income for the year	11,802.77	-	-	13.04	11,815.81
Final dividend declared and paid	(1,044.58)				(1,044.58)
Interim dividend declared and paid	(596.90)				(596.90)
DDT on interim and final dividend distributed	(170.07)				(170.07)
Transfer to General reserve	(3,884.84)		3,884.84		-
Balance at March 31, 2018	**36,783.59**	**6,448.96**	**35,000.00**	**(7.24)**	**78,225.31**
Profit for the year	11,122.92				11,122.92
Other comprehensive income for the year	(38.03)	-	-	(84.91)	(122.94)
Total comprehensive income for the year	**47,868.48**	**6,448.96**	**35,000.00**	**(92.15)**	**89,225.29**
Final Dividend paid	(1,343.03)				(1,343.03)
Interim dividend declared and paid	(596.90)				(596.90)
DDT on interim and final dividend distributed	(339.13)				(339.13)
Balance at March 31, 2019	**45,589.42**	**6,448.96**	**35,000.00**	**(92.15)**	**86,946.23**

AS PER OUR REPORT OF EVEN DATE ATTACHED

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sadashiv Shetty
Partner
Membership No : 048648

Mumbai
May 11, 2019

FOR AND ON BEHALF OF THE BOARD OF

DIRECTORS OF NILKAMAL LIMITED
CIN : L25209DN1985PLC000162

Sharad V. Parekh
Managing Director
DIN : 00035747

Hiten V. Parekh
Joint Managing Director
DIN : 00037550

Paresh B. Mehta
Chief Financial Officer
Membership No : 044670

Priti P. Dave
Company Secretary
Membership No : 19469

Mumbai
May 11, 2019

1 Property, Plant and Equipment

(₹ in lakhs)

	Free Hold Land	Leasehold Land	Building	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Lease Equipments	Leasehold Improvements	Total
Gross Block :										
Balance as at 1st April 2017	1,131.70	167.27	9,850.07	17,807.67	2,664.98	323.52	1,374.09	61.55	1,617.02	34,997.87
Additions	-	-	3,416.84	7,599.12	621.47	77.33	335.32	-	-	12,050.08
Adjustments	-	-	-	(1.25)	0.15	-	1.10	-	-	-
Disposals	-	-	27.64	264.58	36.93	128.58	26.04	-	63.80	547.57
Balance as at 31st March 2018	1,131.70	167.27	13,239.27	25,140.96	3,249.67	272.27	1,684.47	61.55	1,553.22	46,500.38
Balance as at 1st April 2018	**1,131.70**	**167.27**	**13,239.27**	**25,140.96**	**3,249.67**	**272.27**	**1,684.47**	**61.55**	**1,553.22**	**46,500.38**
Additions	**-**	**-**	**803.05**	**8,894.22**	**492.12**	**62.14**	**337.56**	**-**	**81.52**	**10,670.61**
Adjustments	**-**	**-**	**(42.50)**	**(25.05)**	**55.42**	**-**	**10.22**	**(40.59)**	**42.50**	**-**
Disposals	**-**	**-**	**3.62**	**157.50**	**19.66**	**75.72**	**13.42**	**-**	**71.51**	**341.43**
Balance as at 31st March 2019	**1,131.70**	**167.27**	**13,996.20**	**33,852.63**	**3,777.55**	**258.69**	**2,018.83**	**20.96**	**1,605.73**	**56,829.56**
Depreciation :										
Balance as at 1st April 2017	-	4.68	891.42	5,829.35	1,009.97	144.85	768.97	16.02	709.08	9,374.34
Depreciation for the year	-	2.18	488.30	3,252.34	429.99	52.49	310.00	8.01	277.04	4,820.35
Adjustments	-	-	-	(1.04)	0.14	-	0.90	-	-	-
Disposals / Adjustments	-	-	1.54	103.59	33.21	74.33	23.95	-	63.80	300.42
Balance as at 31st March 2018	-	6.86	1,378.18	8,977.06	1,406.89	123.01	1,055.92	24.03	922.32	13,894.27
Balance as at 1st April 2018	**-**	**6.86**	**1,378.18**	**8,977.06**	**1,406.89**	**123.01**	**1,055.92**	**24.03**	**922.32**	**13,894.27**
Depreciation for the year	**-**	**2.18**	**558.15**	**3,465.94**	**406.42**	**41.10**	**288.16**	**3.81**	**151.98**	**4,917.74**
Adjustments	**-**	**-**	**(0.68)**	**9.24**	**2.91**	**-**	**7.80**	**(19.95)**	**0.68**	**-**
Disposals / Adjustments	**-**	**-**	**0.92**	**60.15**	**14.83**	**60.01**	**11.91**	**-**	**53.04**	**200.86**
Balance as at 31st March 2019	**-**	**9.04**	**1,934.73**	**12,392.09**	**1,801.39**	**104.10**	**1,339.97**	**7.89**	**1,021.94**	**18,611.15**
Net Block :										
As at 31st March 2018	1,131.70	160.41	11,861.09	16,163.90	1,842.78	149.26	628.55	37.52	630.90	32,606.11
As at 31st March 2019	**1,131.70**	**158.23**	**12,061.47**	**21,460.54**	**1,976.16**	**154.59**	**678.86**	**13.07**	**583.79**	**38,218.41**

Notes :-

a) Leasehold land acquisition value includes ₹ 0.01 lakh (Previous Year ₹ 0.01 lakh) paid by way of subscription of shares for membership of co-operative housing society.

b) Pending completion of the relevant formalities of the fixed assets having Gross block value ₹ 255.87 lakhs (Previous year ₹ 255.87 lakhs) and Net block value ₹ 235.83 lakhs (Previous year ₹ 240.64 lakhs) which vested in the name of Company pursuant to the scheme of amalgamation, such assets continue to be in the name of the erstwhile amalgamated companies.

c) During the year the Company has entered into a sale and lease back agreement with Sinnar Taluka Industrial Co-op Society Limited ('the buyer') for land at Sinnar having Gross and net block value ₹ 13.52 lakhs. Pending lease agreement finalisation no accounting has been done and the title remains with the buyer.

d) For capital commitment with regards to property plant and equipemnt refer note 35 (b).

e) For Assets on hypothecation as security against borrowing refer note 38.

f) For assets value given on operating lease refer note 42 (b).

(₹ in lakhs)

1a Other Intangible Assets :

	Computer Software	Total
Gross Block :		
Balance as at 1st April 2017	229.51	229.51
Additions	69.81	69.81
Disposals	-	-
Balance as at 31st March 2018	299.32	299.32
Balance as at 1st April 2018	**299.32**	**299.32**
Additions	**84.31**	**84.31**
Disposals	**-**	**-**
Balance as at 31st March 2019	**383.63**	**383.63**
Depreciation :		
Balance as at 1st April 2017	210.59	210.59
Depreciation for the year	26.50	26.50
Disposals / Adjustments	-	-
Balance as at 31st March 2018	237.09	237.09
Balance as at 1st April 2018	237.09	237.09
Depreciation for the year	46.33	46.33
Adjustments	-	-
Disposals / Adjustments	-	-
Balance as at 31st March 2019	**283.42**	**283.42**
Net Block :		
As at 31st March 2018	62.23	62.23
As at 31st March 2019	**100.21**	**100.21**

(₹ in lakhs)

	As at 31st March, 2019	As at 31st March, 2018
2 Investments in Subsidiaries and Joint Ventures (Valued at cost unless stated otherwise)		
Trade investments (Unquoted)		
(I) Investment in Equity instruments		
(a) Investment in Subsidiary Companies		
(i) 1,520,000 (Previous year - 1,520,000) Equity Shares of SLR 10/- each of Nilkamal Eswaran Plastics Private Limited, Srilanka, fully paid up	**93.62**	93.62
(ii) 1 (Previous year - 1) Equity share of DHS 185,000/- each of Nilkamal Crates and Bins, FZE, fully paid up	**19.65**	19.65
(iii) 98 (Previous year - 98) Equity share of Rs. 10/- each of Nilkamal Foundation	**0.01**	0.01
(b) Investments in Joint Ventures		
(i) 2,220,000 (Previous Year 2,220,000), Equity Shares of of Rs. 10/ each of Nilkamal Bito Storage Systems Private Limited, fully paid up	**2,215.50**	2,215.50
(ii) 105,000 (Previous Year 105,000), Equity Shares of Rs. 10/- each of Cambro Nilkamal Private Limited, fully paid up	**200.50**	200.50
Total	**2,529.28**	2,529.28
Aggregate amount of unquoted investments	**2,529.28**	2,529.28

			As at 31st March, 2019	(₹ in lakhs) As at 31st March, 2018
3	**Other Non - current Investments (Refer Note 48)**			
	Unquoted			
	(a) Investments - Others		**42.82**	38.00
	(i) 225,370 (Previous year 200,000) Equity Shares of Rs. 10/ each of Beta Wind Farm Pvt. Ltd. fully paid up			
	(b) Investment in Government Securities National Savings Certificates (Pledged with Government Authorities)		**0.32**	0.32
		Total	**43.14**	38.32
	Aggregate amount of unquoted other investments		**43.14**	38.32
4	**Non-Current Loans**			
	(a) Secured, Considered good		**-**	-
	(b) Unsecured, Considered good			
	(i) Employee Loans		**358.23**	376.47
	(ii) Security Deposit			
	(a) With other than related parties		**1,417.28**	1,155.74
	(b) With related parties (Refer Note 41)		**720.00**	720.00
	(c) With significant increase in Credit Risk		**-**	-
	(d) Credit impaired		**-**	-
		Total	**2,495.51**	2,314.30
5	**Other Non-Current Financial Assets**			
	Unsecured, Considered good			
	Bank Deposits with more than 12 months maturity		**110.57**	116.83
		Total	**110.57**	116.83
6	**Other Non-Current Assets**			
	Unsecured, Considered good			
	To parties other than related parties :			
	(a) Capital Advances		**1,065.18**	766.99
	(b) Deposit with Government Authorities		**1,034.71**	1,131.44
	(c) Other Loans and Advances			
	(i) Prepaid Lease Rental		**346.59**	393.78
		Total	**2,546.48**	2,292.21
7	**Inventories**			
	(Valued at the lower of cost and net realisable value)			
	I. Raw Material (including Goods in transit ₹ 459.73 lakhs (Previous year - ₹ 1,361.27 lakhs))		**6,590.51**	8,541.63
	II. Work-in-Progress		**3,387.87**	3,754.79
	III. Finished Goods		**10,024.74**	9,096.43
	IV. Stock in Trade (including Goods in transit ₹ 674.93 lakhs (Previous year - ₹ 506.03 lakhs))		**16,085.98**	12,997.97
	V. Stores and Spares		**1,764.51**	2,105.43
	VI. Packing Material		**314.19**	364.09
		Total	**38167.80**	36,860.34

For Inventories on hypothecation as security against borrowing refer note 38.

During the year an amount of ₹ 287.37 lakhs (Previous year - ₹ 88.81 lakhs) was charged to the statement of profit and loss on account of Damage and Slow Moving Inventory.

		As at 31st March, 2019	As at 31st March, 2018
			(₹ in lakhs)
8	**Trade Receivables**		
	(a) Considered good - Secured	**4,362.13**	4,163.01
	(b) Considered good - Unsecured	**25,508.48**	28,985.87
	(c) With significant increase in credit risk	**-**	-
	(d) Credit impaired	**841.76**	645.03
	Less: Provision for Loss Allowance	**(841.76)**	(645.03)
	Total	**29,870.61**	33,148.88

For Trade receivables on hypothecation as security against borrowing refer note 38.

Trade receivables (unsecured considered good) includes ₹ 677.22 lakhs (Previous year - ₹ 788.23 lakhs) due from subsidiaries and joint venture companies. (Refer Note 41)

9	**Cash and Cash Equivalents**		
	(a) Cash on Hand	**100.98**	146.05
	(b) Cheques on Hand	**92.60**	120.00
	(c) Balance with Banks in Current Accounts	**269.58**	624.17
	(d) Bank Deposits with less than 3 months maturity	**16.13**	30.93
	Total	**479.29**	921.15
10	**Bank Balances other than Cash and Cash Equivalents**		
	(a) Bank Deposits with 3-12 months maturity	**203.32**	182.12
	(b) Earmarked Balance with Banks (Unclaimed Dividend)	**42.66**	37.54
	Total	**245.98**	219.66
11	**Current Loans**		
	(a) Secured, Considered good	**-**	-
	(b) Unsecured, Considered good		
	To parties other than related parties :		
	Security Deposit	**891.55**	736.72
	(c) With significant increase in Credit Risk	**-**	-
	(d) Credit impaired		
	Security Deposits Considered Doubtful	**52.05**	52.05
	Less: Provision for Loss Allowance	**(52.05)**	(52.05)
	Total	**891.55**	736.72
12	**Other Current Financial Assets**		
	(a) Interest Receivable	**1.99**	1.24
	(b) Discount Receivable	**1,050.98**	790.69
	(b) Due from Related Parties	**16.38**	18.23
	(c) Other Receivables	**4.28**	12.27
	Total	**1,073.63**	822.43
13	**Other Current Assets**		
	To parties other than related Parties		
	(a) Advance to Vendors	**1,156.41**	1,224.53
	(b) Advance for Expenses	**73.78**	77.40
	(c) Balances with Authorities	**1,550.65**	2,408.43
	(d) Prepaid Expenses	**346.01**	356.00
	(e) Others	**309.93**	328.92
	Total	**3,436.78**	4,395.28

(₹ in lakhs)

		As at 31st March, 2019	As at 31st March, 2018
14	**Equity Share Capital**		
	Authorised		
	22,000,000 (Previous year - 22,000,000) Equity Shares of ₹ 10/- each	**2,200.00**	2,200.00
	3,000,000 (Previous year - 3,000,000) Preference Shares of ₹ 10/- each	**300.00**	300.00
	Total	**2,500.00**	2,500.00
	Issued, Subscribed and Fully Paid-up		
	1,49,22,525 Equity Shares of Rs. 10/- each (Previous year - 1,49,22,525 Equity Shares of Rs. 10/- each) (Refer Note 37)	**1,492.25**	1,492.25
	Total	**1,492.25**	1,492.25
15	**Other Equity**		
	(a) Surplus (Profit and Loss)		
	At the commencement of the year	**36,783.59**	30,677.21
	Add : Net Profit for the year	**11,122.92**	11,710.55
	Add : Other Comprehensive Income for the year	**(38.03)**	92.22
	Appropriations		
	Final Dividend 31st March, 2018 ₹ 9 per share (31st March, 2017 ₹ 7 per share)	**(1,343.03)**	(1,044.58)
	Interim Dividend	**(596.90)**	(596.90)
	Tax on Final Dividend / Interim Dividend	**(339.13)**	(170.07)
	Transfer to General Reserve	**-**	(3,884.84)
		45,589.42	36,783.59
	(b) Securities Premium Reserve		
	At the commencement and at the end of the year	**6,448.96**	6,448.96
		6,448.96	6,448.96
	(c) General Reserve		
	At the commencement of the year	**35,000.00**	31,115.16
	Add: Transferred from Surplus	**-**	3,884.84
		35,000.00	35,000.00
	(d) Items of Other Comprehensive Income		
	(i) Cash Flow Hedge Reserve		
	At the commencement of the year	**(7.24)**	(20.28)
	Add : Net gain / (loss) recognised on cash flow hedge (Refer Note 39)	**(84.91)**	13.04
		(92.15)	(7.24)
	Total Other Equity	**86,946.23**	78,225.31

Nature and purpose of reserves

(1) Securities premium reserve

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act.

(3) General reserve

General reserve forms part of the retained earnings and is permitted to be distributed to shareholders as part of dividend.

(3) Cash flow hedge reserve

For hedging foreign currency exposure risk, the Company uses forward contracts swaps which is also designated as cash flow hedges. To the extent these hedges are effective; the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amount recognised in the cash flow hedging reserve is reclassified to profit or loss when the hedged item affects profit or loss.

		As at 31st March, 2019	As at 31st March, 2018
16	**Borrowings - Non-Current Financial Liabilities**		
	Secured Loan (For Security and terms of repayment : Refer Note 38)		
	Term Loan from Banks		
	Foreign Currency Loans	**4,441.81**	-
	Total	**4,441.81**	-
	* Current maturities of Long Term Borrowings disclosed under Other Current Liabilities : Refer Note 23	***744.81**	-

(₹ in lakhs)

		As at 31st March, 2019	As at 31st March, 2018
17	**Other Non-Current Financial Liabilities**		
	Security Deposit Received	**5326.15**	4988.95
	Total	**5326.15**	4988.95
18	**Non-Current Provisions**		
	Provision for employee benefits		
	(a) Gratuity	**-**	-
	(b) Compensated Absences	**538.73**	536.65
	Total	**538.73**	536.65
19	**Deferred Tax Liabilities (Net) (Refer Note 33)**		
	Major components of deferred tax assets and liabilities arising on account of timing differences are:		
	Deferred Tax Liabilities :		
	Depreciation and Amortisation	**2,357.90**	1,610.55
	Allowances under Income Tax Act	**316.69**	316.69
		2,674.59	1,927.24
	Deferred Tax Assets :		
	Disallowances under Income Tax Act	**600.10**	629.45
	Provision for Doubtful Debts	**294.14**	225.40
		894.24	854.85
	Deferred Tax Liabilities (Net)	**1,780.35**	1,072.39
20	**Other Non-Current Liabilities**		
	Rent Equalisation	**377.02**	348.37
	Total	**377.02**	348.37
21	**Borrowings-Current Financial Liabilities**		
	Secured Loan (For Security and terms of repayment : Refer Note 38)	**-**	-
	Working Capital Loan from Banks		
	Rupee Loans	**685.73**	9,290.75
	Total	**685.73**	9,290.75
22	**Trade Payables**		
	(a) Total Outstanding dues of micro enterprises and small enterprises (Refer Note 40)	**-**	-
	(b) Total Outstanding dues of creditors other than micro enterprises and small enterprises	**13,139.43**	16,883.02
	Total	**13,139.43**	16,883.02
23	**Other Current Financial Liabilities**		
	(a) Current maturities of Long-Term debt	**744.81**	-
	(i) Foreign Currency Loan		
	(b) Interest accrued but not due on borrowings	**31.57**	22.21
	(c) Derivative Liability	**223.73**	13.37
	(d) Unclaimed Dividends	**42.66**	37.54
	(e) Capital Creditors	**635.75**	382.24
	(f) Employee Benefits	**1,045.18**	973.82
	Total	**2,723.70**	1,429.18

		As at 31st March, 2019	As at 31st March, 2018
			(₹ in lakhs)
24	**Other Current Liabilities**		
	(a) Advance Received from Customers	**1,785.58**	1,715.42
	(b) Advance against Sale of Fixed Assets	**150.54**	-
	(c) Statutory Dues		
	(i) Sales Tax / GST	**1,219.28**	86.31
	(ii) Excise and Service Tax	**-**	0.74
	(iii) TDS	**233.81**	326.82
	(iv) Employee Benefits	**104.17**	100.67
		1,557.26	514.54
	(d) Other Payable	**1.09**	20.10
	Total	**3,494.48**	2,250.06
25	**Current Provisions**		
	(a) Provision for Employee Benefits (Refer Note 50)		
	(i) Gratuity	**-**	103.23
	(ii) Compensated Absences	**380.48**	314.98
		380.48	418.21
	(b) Others Provisions		
	(i) Provision For Product Warranties (Refer Note 36)	**604.73**	548.34
	(ii) Provision Others (Refer Note 36)	**100.00**	100.00
	Total	**1,085.21**	1,066.55

		Year ended 31st March, 2019	Year ended 31st March, 2018
			(₹ in lakhs)
26	**Revenue from Operations (refer note 32)**		
	(a) Sale of Products (including Excise Duty)		
	(i) Domestic	**222,892.46**	201,832.80
	(ii) Export [Including Deemed Exports of ₹ 114.00 Lakhs, (Previous year - ₹ 778.31 Lakhs)]	**5,143.93**	6,948.12
		228,036.39	208,780.92
	(b) Sale of Services	**737.89**	743.01
	(c) Other Operating Revenue		
	(i) Sale of Scrap	**391.99**	346.62
	(ii) Technical and Management Fees	**769.01**	603.94
	(iii) Others	**483.09**	321.13
	Revenue from Operations	**230,418.37**	210,795.62

In accordance with Ind AS 18 on "Revenue" and Schedule III to the Companies Act, 2013, Sales for the period 1 April to 30 June 2017 were reported gross of Excise Duty and net of Value Added Tax (VAT)/ Sales Tax. Excise Duty was reported as a separate expense line item. Consequent to the introduction of Goods and Services Tax (GST) with effect from 1 July 2017, VAT/Sales Tax, Excise Duty etc. have been subsumed into GST and accordingly the same is not recognised as part of sales as per the requirements of Ind AS 115.

27	**Other Income**		
	(a) Interest Income	**489.21**	274.83
	(b) Dividend Income from Subsidiary Companies and Joint Ventures	**515.57**	474.76
	(c) Keyman Policy Refund	**662.00**	-
	(d) Foreign Exchange Gain (Net)	**42.38**	-
	(e) Profit on Fixed Assets Sold / Discarded (Net)	**-**	24.03
	Total	**1,709.16**	773.62

		Year ended 31st March, 2019	Year ended 31st March, 2018
			(₹ in lakhs)
28	**Changes in Inventories of Finished Goods, Traded Goods and Work-in-Progress**		
	Opening Stock		
	Work in Progress	**3,754.78**	3,167.35
	Finished Goods	**9,096.43**	9,492.87
	Stock in Trade	**12,997.97**	12,452.62
		25,849.18	25,112.84
	Closing Stock		
	Work in Progress	**3,387.87**	3,754.78
	Finished Goods	**10,024.74**	9,096.43
	Stock in Trade	**16,085.98**	12,997.97
		29,498.59	25,849.18
		(3,649.41)	(736.34)
29	**Employee Benefits Expense**		
	(a) Salary, Wages and Bonus (Net)	**15,821.45**	14,642.72
	(b) Contribution to Provident and Other funds (Refer Note 50)	**626.56**	583.27
	(c) Workmen and Staff Welfare Expenses	**1,340.11**	1,207.04
	Total	**17,788.12**	16,433.03
30	**Finance Costs**		
	(a) Interest on Financial Liabilities	**1,504.67**	1,200.09
	(b) Other Borrowing Costs	**75.23**	49.21
	Total	**1,579.90**	1,249.30
31	**Other Expenses**		
	(a) Stores and Spare Parts Consumed	**2,020.30**	2,048.39
	(b) Power and Fuel	**4,816.85**	4,345.33
	(c) Repairs :		
	(i) Building	**188.15**	320.14
	(ii) Machinery	**325.06**	238.52
	(iii) Others	**1,189.47**	1,077.95
	(d) Labour Charges	**12,247.27**	9,607.13
	(e) Rent (Refer Note no 42)	**5,486.82**	5,025.44
	(f) Rates and Taxes	**417.31**	564.94
	(g) Insurance	**242.94**	223.54
	(h) Postage and Telephone Expenses	**628.78**	671.47
	(i) Loss on Fixed Assets Sold Discarded (Net)	**23.66**	-
	(j) Packing Material Consumed	**2,460.49**	2,098.21
	(k) Travelling and Conveyance	**1,825.13**	1,821.22
	(l) Commission	**1,109.85**	900.31
	(m) Advertisements and Sales Promotion Expense	**2,691.05**	4,041.06
	(n) Computer Expenses	**812.70**	778.77
	(o) Transportation and Forwarding Charges	**15,348.19**	13,285.64
	(p) Security and Guards	**494.71**	433.33
	(q) House Keeping Expenses	**396.25**	317.26
	(r) Legal and Professional Fees	**1,459.26**	930.67
	(s) Vehicle Expenses	**612.35**	660.54

	Year ended 31st March, 2019	Year ended 31st March, 2018
		(₹ in lakhs)
31 Other Expenses (contd...)		
(t) Printing and Stationery	**179.84**	177.99
(u) Board Meeting Fees	**28.00**	21.00
(v) Bad Debts written off	**123.06**	313.08
(w) Provision for Doubtful Debts and Advances	**196.73**	(24.23)
(x) Corporate Social Responsibility Expenses (Refer Note 46)	**336.05**	259.02
(y) Payment to Auditors		
- Audit Fees	**37.00**	32.80
- For Other Services	**5.95**	8.92
- Reimbursement of Expenses	**3.46**	2.95
(z) Foreign Exchange Loss (Net)	**-**	156.87
(aa) Bank Charges	**243.77**	295.89
(ab) Miscellaneous Expenses	**172.82**	376.58
Total	**56,123.27**	51,010.73

32 Revenue from Contract from Customer

A. Revenue Streams

The Company generates revenue primarily from the sale of Plastic articles and Life style Furniture , Furnishings and Accessories to its customers . Other sources of revenue include Sale of services and Technical management fees.

	Year ended 31st March, 2019	Year ended 31st March, 2018
		(₹ in lakhs)
Revenue from contracts with Customers		
Sale of Goods	**228,036.39**	208,780.92
Sale of Services	**737.89**	743.01
Other Operating revenue		
Sale of Scrap	**391.99**	346.62
Technical and Management Fees	**769.01**	603.94
Others	**483.09**	321.13
Total revenue	**230,418.37**	210,795.62

B. Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition.

(₹ in lakhs)

	Plastics		Life style Furniture, Furnishings and Accessories		Total	
	31st March, 2019	31st March, 2018	**31st March, 2019**	31st March, 2018	**31st March, 2019**	31st March, 2018
Primary geographical markets						
Domestic Sales	**204,185.43**	182,369.52	**21,089.01**	21,477.98	**225,274.44**	203,847.50
Export sales	**5,143.93**	6,948.12	**-**	-	**5,143.93**	6,948.12
	209,329.36	189,317.64	**21,089.01**	21,477.98	**230,418.37**	210,795.62
Revenue types						
Sale of products	**206,961.40**	187,315.19	**21,074.99**	21,465.73	**228,036.39**	208,780.92
Sale of Services	**737.89**	743.01	**-**	-	**737.89**	743.01
Sale of Scrap	**377.98**	334.37	**14.01**	12.25	**391.99**	346.62
Technical and Management Fees	**769.01**	603.94	**-**	-	**769.01**	603.94
Others	**483.08**	321.13	**0.01**	-	**483.09**	321.13
	209,329.36	189,317.64	**21,089.01**	21,477.98	**230,418.37**	210,795.62
Timing of reneue recognition						
Products Transferred at a point in time	**209,329.36**	189,317.64	**21,089.01**	21,477.98	**230,418.37**	210,795.62
Revenue from contracts with customers	**209,329.36**	189,317.64	**21,089.01**	21,477.98	**230,418.37**	210,795.62
External revenue as reported	**209,329.36**	189,317.64	**21,089.01**	21,477.98	**230,418.37**	210,795.62

C. Reconciliation of Revenue from operation with Contract price

(₹ in lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Contract Price	**252,219.54**	231,585.79
Less: Sales Returns	**3,306.60**	3,045.75
Schemes and Discounts	**18,494.57**	17,744.42
Total Revenue from Operation	**230,418.37**	210,795.62

D. Contract balances

The following table provides information about receivables from contracts with customers.

(₹ in lakhs)

	Note	**31st March, 2019**	31st March, 2018
Receivables, which are included in 'trade receivables'	8	**29,870.61**	33,148.88

33 Tax expenses

(a) Amounts recognised in profit and loss

(₹ in lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Current income tax	**4,810.00**	5,695.00
Adjustment in respect of current income tax of previous year	**(798.20)**	19.08
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	**733.70**	450.98
Deferred tax expense/ (credit)	**733.70**	450.98
Tax expense for the year	**4,745.50**	6,165.06
Effective tax rate for the year	**29.91%**	34.38%

(b) Amounts recognised in other comprehensive income

(₹ in lakhs)

	Year ended 31st March, 2019			Year ended 31st March, 2018		
	Before tax	**Tax (expense) benefit**	**Net of tax**	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit liability (asset)	**(58.15)**	**20.12**	**(38.03)**	141.02	(48.80)	92.22
Items that will be reclassified to profit or loss						
Effective portion of Gain/(Loss) on hedgeing instrument in a cash flow hedge	**(141.13)**	**56.22**	**(84.91)**	19.94	(6.90)	13.04
	(199.28)	**76.34**	**(122.94)**	160.96	(55.70)	105.26

(c) Reconciliation of effective tax rate

	Year ended 31st March, 2019	Year ended 31st March, 2018
Profit before tax	**15,868.42**	17,875.61
Tax using the Company's domestic tax rate	**34.94%**	34.61%
Reduction in tax rate	**-**	0.06%
Tax effect of:		
Tax impact of income not subject to tax	**(0.29%)**	(0.06%)
Tax effects of amounts which are not deductible for taxable income	**0.89%**	0.60%
Adjustment for current tax of prior period	**-**	-
Deferred tax assets not recognized because realization is not probable	**0.15%**	-
Effect of different tax rate	**(0.42%)**	(0.43%)
Tax deduction Under Chapter VI	**(0.43%)**	(0.37%)
Adjustment for current tax of prior period	**(5.03%)**	(0.11%)
Others	**0.08%**	0.10%
	29.91%	34.38%

The applicable Indian corporate statutory rate for the year ended 31st March, 2019 is 34.94% and 2018 is 34.61%.

33. **Tax Expenses (Continued)**

(d) Movement in deferred tax balances

(₹ in lakhs)

	Net balance 1st April, 2018	Recognised in profit or loss	Recognised in OCI	Charge in respect of earlier years	31st March, 2019 Net	Deferred tax asset	Deferred tax liability
Deferred tax asset / (liabilities)							
Property, plant and equipment	(1,610.55)	(720.86)	-	(26.49)	(2,357.90)	-	(2,357.90)
Employee benefits	414.21	(59.91)	20.12	(10.17)	364.25	364.25	-
Rent equilisation	121.73	10.02	-	-	131.75	131.75	-
Provision for Doubtful Debts / Advances	225.39	68.74	-	-	294.13	294.13	-
Other provisions	(223.17)	(31.69)	56.22	(13.93)	(212.57)	104.12	(316.69)
Tax assets / (Liabilities)	**(1,072.39)**	**(733.70)**	**76.34**	**(50.59)**	**(1,780.34)**	**894.25**	**(2,674.59)**
Set off tax							
Net tax assets / (liabilities)	**(1,072.39)**	**(733.70)**	**76.34**	**(50.59)**	**(1,780.34)**	**894.25**	**(2,674.59)**

(e) Movement in deferred tax balances

	Net balance 1st April, 2017	Recognised in profit or loss	Recognised in OCI	Charge in respect of earlier years	31st March, 2018 Net	Deferred tax asset	Deferred tax liability
Deferred tax asset / (liabilities)							
Property, plant and equipment	(1,281.42)	(325.82)	-	(3.31)	(1,610.55)	-	(1,610.55)
Employee benefits	475.29	48.72	(48.80)	(61.00)	414.21	414.21	-
Rent equilisation	97.86	23.87	-	-	121.73	121.73	-
Provision for Doubtful Debts / Advances	231.61	(6.22)	-	-	225.39	225.39	-
Other provisions	(44.96)	(191.53)	(6.90)	20.22	(223.17)	93.52	(316.69)
Tax assets (Liabilities)	**(521.62)**	**(450.98)**	**(55.70)**	**(44.09)**	**(1,072.39)**	**854.85**	**(1,927.24)**
Set off tax							
Net tax assets / (liabilities)	**(521.62)**	**(450.98)**	**(55.70)**	**(44.09)**	**(1,072.39)**	**854.85**	**(1,927.24)**

(1) The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

(2) Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

(3) Given that the Company does not have any intention to dispose investments in subsidiaries and Joint Ventures in the foreseeable future, deferred tax asset amounting to ₹ 557.35 lakhs as of 31 March 2019, ₹ 526.54 lakhs as on 31 March 2018 on indexation benefit in relation to such investments has not been recognised.

(4) As on 31st March 2019, the tax liability with respect to the dividends proposed is ₹ 237.47 lakhs (Previous year ₹ 256.93 lakhs).

34 Significant accounting policies

a) Basis of preparation of Financial Statements:

The Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the section 133 of the Companies Act 2013("the 2013 Act"), read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015, and Companies (Indian Accounting Standards) Rules, 2016. The financial statements were authorised for issue by the Company's Board of Directors on 11th May 2019.

All the assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained the operating cycle to be 12 months.

Functional and presentation currency:

These standalone financial statements are presented in Indian rupees, which is the Company's functional currency. All amounts have been rounded off to two decimal places to the nearest lakh, unless otherwise indicated.

Historical cost convention:

The standalone financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instrument) that are measured at fair value;
- defined benefit plans – plan assets measured at fair value.

b) Use of Estimates and Judgements:

The preparation of financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the balance sheet and statement of profit and loss. The actual amounts realised may differ from these estimates.

Estimates and assumptions are required in particular for:

- **Determination of the estimated useful lives of Property Plant and Equipment**

  Useful lives of property plant and equipment are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II for plant and machinery and dies and moulds, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

- **Recognition and measurement of defined benefit obligations**

  The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

- **Recognition of deferred tax assets and liabilities**

  Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

- **Recognition and measurement of other provisions**

  The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the amount included in other provisions.

- **Discounting of long-term financial assets / liabilities**

  All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities / assets which are required to subsequently be measured at amortised cost, interest is accrued using the effective interest method.

- **Determining whether an arrangement contains a lease**

  At inception of an arrangement, the Company determines whether the arrangement is or contains a lease.

  At inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Company concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Company's incremental borrowing rate. And in case of operating lease, treat all payments under the arrangement as lease payments.

- **Segment reporting**

  Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating Decision Maker. The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

- **Fair value of financial instruments**

  Derivatives are carried at fair value. Derivatives includes foreign currency forward contracts and interest rate swaps. Fair value of foreign currency forward contracts are determined using the fair value reports provided by respective merchant bankers. Fair value of interest rate swaps are determined with respect to current market rate of interest.

- **Measurement of fair values**

  The Company's accounting policies and disclosures require the measurement of fair values for financial instruments.

  The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

  When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

  If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

c) Standards issued but not yet effective

On March 30, 2019, the Ministry of Corporate Affairs (MCA) notified Ind AS 116, 'Leases' as part of the Companies (Indian Accounting Standards (Ind AS)) Amendment Rules, 2019. Ind AS 116 - Leases replaces existing standard on leases i.e. Ind AS 17, Leases with effect from accounting periods beginning on or after 1st April 2019.

It eliminates the classification of leases as either finance leases or operating leases for a lessee as required by Ind AS 17. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value.

A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Requirements with regard to lessor accounting are substantially similar to accounting requirements contained in Ind AS 17. Accordingly, a lessor will continue to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

The Company's operating leases primarily relate to premises, vehicles , IT equipment because all these assets satisfy the principle of identification and fixed minimum lease payments.

The Company proposes to adopt the above standard using modified retrospective approach, recognising the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and equivalent amount of right to use.

Based on the information currently available, the Company estimates that it will recognise a right to use asset of approximately ₹ 13,422.42 Lakhs and a corresponding lease liability of approx. ₹ 13,422.42 lakhs. There will be consequent reclassification in the cash flow categories in the statement of cash flows.

d) Property, plant and equipment:

- **Recognition and measurement**

  Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

  The cost of an item of property, plant and equipment comprises:

  Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

  Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

  The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

  Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in profit or loss.

  Items such as spare parts, stand-by equipments and servicing that meets the definition of property, plant and equipment are capitalised at cost and depreciated over the useful life.

  If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment.

  Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

- **Subsequent expenditure**

  Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

e) Depreciation:

- Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act, 2013 except for plant and machinery and Dies and moulds which is based on technical evaluation. Management believes that these useful lives best represent the period over which management expects to use these assets. Hence the useful life for plant and machinery of 10 years and for Dies and Moulds of 6 years for continuous running is different from the useful life as prescribed under Part C of Schedule II of the Companies Act 2013;

  Useful life of property plant and equipment are reviewed at each balance sheet date and adjusted prospectively, if appropriate.

- Cost of leasehold land is amortised over the period of lease;
- Depreciation on addition to assets or on sale /discardment of assets, is calculated pro rata from the date of such addition or upto the date of such sale/discardment, as the case may be;
- Assets like mobile phones, telephone instruments, etc. are fully depreciated in the year of purchase / acquisition;
- Individual assets except assets given on lease acquired for less than ₹15,000/- are depreciated entirely in the year of acquisition.

f) Intangible Fixed Assets :

Intangible assets, which are acquired by the Company and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

g) Amortisation:

Software (Intangible assets) are amortised over their estimated useful lives on a straight line basis but not exceeding the period of 36 months.

Useful life of Intangible assets are reviewed at each balance sheet date and adjusted prospectively, if appropriate.

h) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts and, interest rate swaps and currency options; and embedded derivatives in the host contract.

Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity’s expected purchase, sale or usage requirements.

Derivatives are currently recognized at fair value on the date on which the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

Cash Flow Hedges

The Company uses derivative financial instrument such as forward contracts and cross currency interest rate swaps to hedge its foreign currency risks and interest rate risks. Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the Statement of Profit and Loss, except for the effective portion of cash flow hedge, which is recognised in Other Comprehensive Income and accumulated in Cash Flow Hedge Reserve included in the Reserves and Surplus while any ineffective portion is recognised immediately in the Statement of Profit and Loss.

For the purpose of hedge accounting, hedges are classified as:

Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability.

Cash flow hedges when hedging exposure to variability in cash flows that is either attributable to particular risk associated with a recognised asset or liability.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument’s fair value in offsetting the exposure to changes in the hedged item’s fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedge accounting is discontinued from the last testing date when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Cumulative gain or loss on such hedging instrument recognised in Cash Flow Hedge Reserve is retained there until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in Cash Flow Hedge Reserve is transferred to Statement of Profit and Loss for the year.

Financial Assets

Classification

The Company shall classify financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

   After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 48.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

  When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

  Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

b) Trade receivables - The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows.

Financial liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

i) Valuation of Inventories:

Inventories of Raw Materials, Packing Materials, Stores and Spares, Work-in Progress, Traded goods and Finished goods are valued 'at cost and net realisable value' whichever is lower. Cost comprises all cost of purchase, appropriate direct production overheads and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used is 'Weighted Average Cost'. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the Company. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Raw materials and other supplies held for use in the production of inventories are not written down below cost except in case where material prices have declined and it is estimated that the cost of the finished product will exceed its net realisable value.

j) ***Employee Benefits:***

Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are recognised in the period in which the employee renders the related service.

Post Employment / Retirement Benefits

Contribution to Defined Contribution Plans such as Provident Fund, Employees' State Insurance Corporation, etc., are charged to the Statement of Profit and Loss as incurred.

Defined Benefit Plans – The present value of the obligation under such plans, is determined based on an actuarial valuation by an independent actuary at the end of each year, using the Projected Unit Credit Method. In the case of gratuity, which is funded, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

Remeasurement of net defined benefit liability, which comprises actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any excluding interest), are recognized immediately in other comprehensive income.

Other Long Term Employee Benefits

Compensated Absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

k) Foreign Exchange Transactions:

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate as at the date of the transaction.

l) Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

m) Revenue Recognition:

The Company derives revenues primarily from sale of manufactured goods, traded goods and related services.

Effective April 1, 2018, the Company has applied Ind AS 115: Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Revenue is recognised on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue is measured based on transaction price which is fair value of the consideration received or receivable, after deduction of any discounts, sales incentives / schemes and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and sales incentives / schemes. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

The Company recognises provision for sales return, based on the historical results, measured on net basis of the margin of the sale. An estimate is made of goods that will be returned and a liability is recognised for this amount using a best estimate based on accumulated experience.

Dividend income is recognized in statement of profit and loss only when the right to receive payment is established.

Export incentives receivable under various schemes are accounted on accrual basis.

Interest income is recognized using the effective interest rate method.

n) Leases:

- **Lease payments**

  Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

  Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

- **Lease assets**

  Assets held by the Company under leases that transfer to the Company substantially all of the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

  Assets held under other leases are classified as operating leases and are not recognised in the Company's statement of financial position.

o) Impairment of non-financial assets

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

p) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with remaining maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

q) Taxation:

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

i) **Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if, the Company:

a) has a legally enforceable right to set off the recognised amounts; and

b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii) **Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and associates to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

a) The entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax asset / liabilities in respect of on temporary differences which originate and reverse during the tax holiday period are not recognised. Deferred tax assets / liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognised.

r) Government Grants:

Grants received from the government are recognized at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with the conditions.

Government grants related to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and netted off with the expense in the statement of profit and loss.

Government grants related to purchase of property plant and equipment are recognised as deferred income and are credited to profit or loss on a straight line basis over expected life of the related asset and presented within other income.

s) Provisions, Contingent Assets and Contingent Liabilities:

Provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

35. Contingent Liabilities and commitments to the extent not provided for in respect of:

a) **Contingent liabilities :-**

1.

(₹ in lakhs)

Sr.No	Particulars	31st March, 2019	31st March, 2018
i)	Excise and Service Tax matters	**550.88**	525.13
ii)	Sales Tax matters *	**1,114.03**	1,227.32
iii)	On account of Cross Subsidy Surcharge on electricity	**9.38**	9.38

*Includes ₹ 972.61 lakhs (Previous Year ₹ 972.61 lakhs) paid in full against the disputed Sales Tax liability under the Kerala General Sales Tax Act, 1963. The matter is pending for hearing in the Honorable Supreme Court of India.

Note: The Excise and Service Tax and Sales Tax demands are being contested by the Company at various levels. The Company has been legally advised that it has a good case and the demands by the authorities are not tenable. Future cash flows in respect of these are determinable only on receipt of judgements / decisions pending with various forums/ authorities.

2) The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal.

In view of the management, based on legal advice obtained, the liability for the period from the date of the SC order to 31 March 2019 is not significant and has not been given effect to in the books of account.

b) **Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 1,894.31 lakhs (Previous year ₹ 1,307.16 lakhs).

36. Provision for warranty and other provisions:

(₹ in Lakhs)

Particulars	**31st March, 2019**	**31st March, 2019**	31st March, 2018	31st March, 2018
	Warranty Provision	**Other Provisions**	Warranty Provision	Other Provisions
Opening Balance	**548.34**	**100.00**	562.86	100.00
Additions	**559.45**	**0.00**	482.33	0.00
Utilisations / Reversals	**503.06**	**0.00**	496.85	0.00
Closing Balance	**604.73**	**100.00**	548.34	100.00

Provision is estimated for expected warranty claim in respect of products sold during the year based on past experience regarding defective claim of products and cost of rectification or replacement. It is expected that most of this cost will be incurred over next 12 months which is as per warranty terms.

Other provisions are provisions in respect of probable claims, the outflow of which would depend on the cessation of the respective events.

37. Share capital

a) **Rights, preferences and restrictions attached to Equity Shares:** The Company has only one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

b) **Details of equity shares held by shareholders holding more than 5% of the aggregate equity shares in the Company:**

Name of the Shareholder	**As at 31st March, 2019**		As at 31st March, 2018	
	No. of shares held	**% of Holding**	No. of shares held	% of Holding
Vamanrai V. Parekh	**100,000**	**0.67%**	1,033,558	6.93%
Hiten V. Parekh	**1,937,258**	**12.98%**	1,474,105	9.88%
Manish V. Parekh	**1,551,563**	**10.40%**	1,071,658	7.18%
Nayan S. Parekh	**2,234,704**	**14.98%**	1,750,277	11.73%
Nilkamal Builders Private Limited	**1,464,000**	**9.81%**	1,464,000	9.81%
Heirloom Finance Private Limited	**912,000**	**6.11%**	912,000	6.11%

d) **Reconciliation of number of equity shares outstanding as at the beginning and closing of the year**

Particulars	**2018-19**		2017-18	
	Number	**₹ (in Lakhs)**	Number	₹ (in Lakhs)
Shares outstanding at the beginning of the year	**14,922,525**	**1,492.25**	14,922,525	1,492.25
Shares issued during the year	**-**	**-**	-	-
Shares bought back during the year	**-**	**-**	-	-
Shares outstanding at the end of the year	**14,922,525**	**1,492.25**	14,922,525	1,492.25

38. Borrowings:

(A) Secured loans:

a) Working Capital loans :

Working capital facilities of ₹ 685.73 Lakhs (Previous year ₹ 9,290.75 Lakhs) from Banks are secured on first pari passu basis by way of hypothecation of current assets (inventories and trade receivables) of the Company, second pari passu charge by way of equitable mortgage on the Company's immoveable property. Working Capital Loans repayable on Demand having Interest Rate from 9.25% to 9.60% p.a. (Previous Year 8.65% p.a to 9.65% p.a).

b) Foreign Currency Term loans:

Foreign currency term loans of ₹ 5,186.62 Lakhs (Previous year ₹ Nil) from the Banks are secured on first pari passu basis by way of equitable mortgage created on Company's moveable properties. These loans are repayable in equal quarterly installment, last installments due on March 2023 and February 2024 as per repayment schedules, having interest rate from 3 month LIBOR +1.05% to 1.38% p.a. which are reset periodically.

(B) Commercial Paper balance outstanding at year end ₹ Nil (Previous Year ₹ Nil). Maximum balance outstanding during the year ₹ 5,000 Lakhs (Previous Year ₹ 5,000 Lakhs).

39. Cross Currency Interest Rate Swap:

Derivative Instruments outstanding at the Balance Sheet date:

(a) Forward Contracts against imports:

Forward contracts to buy USD 30.00 lakhs and Euro 15 lakhs (Previous Year USD 46.22 lakhs) amounting to ₹ 3,328.92 lakhs (Previous Year ₹ 3,019.04 lakhs).

(b) Option Contracts against imports:

Option Contract to buy Euro 15 lakhs (Previous Year Nil) amounting to ₹ 1,170 lakhs (Previous Year ₹ Nil lakhs).

The above contracts / options have been undertaken to hedge against the foreign exchange exposures arising from transactions like import of goods.

(c) USD Floating rate/INR Floating rate cross-currency interest rate swap (CCIRS):

Outstanding USD/INR Floating rate cross-currency interest rate swap USD 75 lakhs (Previous year Nil) amounting to ₹ 5,186.63 (Previous Year ₹ Nil).

The above contracts have been undertaken to hedge against the foreign exchange exposures arising from foreign currency loan and interest there on.

40. Dues to micro and small suppliers

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, there are no outstanding dues to the Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006.

Particulars	**31st March, 2019**	**31st March, 2018**
Principal amount remaining unpaid to any supplier as at the year end	-	-
Interest due thereon	-	-
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-

41. Related Party Disclosures:

Names of related parties and description of relationship

I	Subsidiaries where control exists	Nilkamal Eswaran Plastics Private Limited Nilkamal Eswaran Marketing Private Limited Nilkamal Crates and Bins, FZE. Nilkamal Foundation (a Section 8 Company)
II	Joint Ventures	Nilkamal Bito Storage Systems Private Limited Cambro Nilkamal Private Limited
III	Key Management Personnel	Mr. Vamanrai V. Parekh, Chairman Mr. Sharad V. Parekh, Managing Director Mr. Hiten V. Parekh, Joint Managing Director Mr. Manish V. Parekh, President and Executive Director – Furniture Mr. Nayan S. Parekh, President and Executive Director – Material Handling **Independent Director:** Mr. K. R. Ramamoorthy Mr. Mahendra V. Doshi Mr. Mufazzal S. Federal Mr. S. K. Palekar Ms. Hiroo Mirchandani Mr. Krishnamurthi Venkataraman
IV	Relatives of Key Management Personnel	Mr. Mihir H. Parekh Ms. Priyanka H. Gandhi
V	Enterprise owned or significantly influenced by key Management Personnel or their relatives, where transactions have taken place	Nilkamal Crates & Containers M. Tech Industries Raga Plast Private Limited

41. Related Party Disclosures (Continued):

(₹ in lakhs)

	Subsidiaries	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Total	Subsidiaries	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Total
	2018-19	**2018-19**	**2018-19**	**2018-19**	**2018-19**	**2018-19**	2017-18	2017-18	2017-18	2017-18	2017-18	2017-18
Sales of Finished Goods / Others	**1,012.78**	**1,809.42**	**-**	**-**	**239.47**	**3,061.67**	900.73	1,040.78	-	-	33.53	1,975.04
Sales of Fixed Assets	**19.50**	**-**	**-**	**-**	**-**	**19.50**	15.66	-	-	-	-	15.66
Purchases of raw materials, intermediaries and finished goods	**0.21**	**546.87**	**-**	**-**	**2,463.01**	**3,010.08**	1.62	710.19	-	-	933.11	1,644.92
Paid for services and labour charges	**-**	**-**	**-**	**-**	**227.64**	**227.64**	-	4.69	-	-	320.13	324.82
Received for services & labour charges	**-**	**30.16**	**-**	**-**	**-**	**30.16**	-	39.68	-	-	-	39.68
Deputation Charges	**-**	**33.59**	**-**	**-**	**-**	**33.59**	-	75.27	-	-	-	75.27
Technical and Management Fees received	**28.97**	**873.83**	**-**	**-**	**-**	**902.80**	30.64	676.65	-	-	-	707.29
Dividend received	**384.77**	**130.80**	**-**	**-**	**-**	**515.57**	443.26	31.50	-	-	-	474.76
Purchase of fixed assets	**33.03**	**304.61**	**-**			**337.64**	-	587.59	-	-	-	587.59
Rent paid	**-**	**-**	**-**	**-**	**301.20**	**301.20**	-	-	-	-	285.07	285.07
Remuneration to Directors	**-**	**-**	**1,468.65**	**-**	**-**	**1,468.65**	-	-	1,434.29	-	-	1,434.29
Salary Paid	**-**	**-**	**-**	**40.69**	**-**	**40.69**	-	-	-	38.61	-	38.61
Corporate Social Responsibility Expenses (CSR)	**298.60**	**-**	**-**	**-**	**-**	**298.60**	256.00	-	-	-	-	256.00
Board & Audit Committee sitting fees	**-**	**-**	**28.00**	**-**	**-**	**28.00**	-	-	20.90	-	-	20.90
Rent Received	**7.28**	**23.88**	**-**	**-**	**-**	**31.16**	6.71	-	-	-	-	6.71
Reimbursement of Expenses	**6.41**	**81.75**	**-**	**-**	**76.88**	**165.04**	13.19	70.96	-	-	91.16	175.31
Balances Outstanding at the year end:												
Deposits Receivable	**-**	**-**	**-**	**-**	**720.00**	**720.00**	-	-	-	-	720.00	720.00
Trade and Other Receivables	**167.88**	**525.72**	**-**	**-**	**131.72**	**825.32**	231.49	574.97	-	-	9.77	816.23
Other Payables	**-**	**8.33**	**-**	**-**	**63.47**	**71.80**	-	74.57	-	-	33.20	107.77
For working capital facilities guarantee jointly given by Mr. Vaman Parekh, Mr. Sharad Parekh and Mr. Hiten Parekh	**-**	**-**	**-**	**-**	**-**	**-**	-	-	9,290.75	-	-	9,290.75

Note:1. The remuneration paid to key managerial personal excludes gratuity and compensated absences as the provision is computed for the Company as a whole and separate figures are not available.

2. The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured.

42. (a) (i) Operating Lease in respect of Properties taken on Lease:

The Company has taken warehouses, showrooms, offices under operating leases. The agreements are executed for the period of 36 to 240 months with a non cancellable period upto 60 months. For certain properties taken on lease, contingent rent payable as a percentage of revenue from the respective stores, subject to a minimum rent.

(₹ in lakhs)

	Particulars	2018-19	2017-18
A	Lease payments recognised in the Statement of Profit and Loss (includes contingent rent of ₹ 187.20 lakhs (Previous Year ₹ 202.82 lakhs)	**4,474.78**	4,198.52
B	Future minimum Lease Payments under non cancelable agreements.		
	i) Not later than one year	**1,492.09**	1,440.76
	ii) Later than one year and not later than 5 years	**3,457.78**	3,478.74
	iii) Later than 5 years	**830.88**	1,048.36

(ii) Operating Lease in respect of Other Assets taken on Lease: (₹ in lakhs)

	Particulars	2018-19	2017-18
A	Lease payments recognised in the Statement of Profit and Loss	**1,012.04**	826.93
b	Future minimum Lease Payments under non cancelable agreements.		
	i) Not later than one year	**820.86**	759.25
	ii) Later than one year and not later than 5 years	**1,129.50**	1,045.21
	iii) Later than 5 years	**-**	-

The agreement is executed with a non cancelable period upto 60 months (Previous Year 60 months).

(b) Assets given on Operating Lease:

The Company has leased out some of its Material Handling equipments. The lease term is in the range of 0-60 months. There is no escalation or renewal clause in the lease agreements and sub-letting is not permitted. Rent income during the year ₹ 7.28 lakhs. (Previous Year ₹ 8.92 lakhs). The carrying amounts of equipments given on operating leases and depreciation thereon for the period are:

(₹ in lakhs)

	Particulars	2018-19	2017-18
i)	Gross Carrying Amount	**20.96**	61.55
ii)	Depreciation for the Year	**3.81**	8.01
iii)	Accumulated Depreciation	**7.90**	24.03
	The Total future Minimum rentals receivable at the Balance Sheet Date Is as Under		
i)	For a period not later than one year	**6.23**	1.08
ii)	For a period more than one year but not later than 5 years	**-**	-
iii)	For a period later than 5 years	**-**	-

43. Information on Joint Ventures:

Jointly Controlled Entities:

Name of the Joint Venture	Country of Incorporation	Percentage of Ownership Interest
Nilkamal Bito Storage Systems Private Limited.	India	50
Cambro Nilkamal Private Limited	India	50

Investment in Joint Ventures have been accounted at cost in the standalone financial statements.

44. In accordance with IND AS 108 – Operating Segment, segment information has been given in the Consolidated Financial Statement of Nilkamal Limited and therefore no separate disclosure on segment information is given in these financial statements.

45. Subsequent Events:

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

46. Corporate Social Responsibility:

As required by Section 135 of Companies Act, 2013 and rules therein, a Corporate social responsibility committee has been formed by the Company. The Company has spent the following amount during the year towards corporate social responsibility (CSR) for activities listed under schedule VII of the Companies Act, 2013

(a) Gross amount required to be spent by the Company during the year 2018-19 ₹ 335.81 lakhs (Previous year ₹ 258.74 lakhs).

(b) Amount spent during the year on:

(₹ in lakhs)

Particulars	**2018-19**	2017-18
(i) Construction/ acquisition of any asset	**-**	-
(ii) On purpose other than (i) above	**336.05**	259.02

47. Proposed Dividend:

The Board of Directors at its meeting held on 11th May, 2019 have recommended a payment of final dividend of ₹ 9 (₹ nine only) per equity share of face value of ₹ 10 each for the financial year ended 31st March, 2019. The same amounts to ₹ 1,343.03 lakhs excluding dividend distribution tax of ₹ 237.47 lakhs same is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognised as a liability.

48 Financial instruments – Fair values and risk management

A. Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in lakhs)

31st March, 2019	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non Current								
Unquoted Equity Shares *	42.82	-	0.32	43.14	-	-	-	-
Employee Loans	-	-	358.23	358.23	-	-	-	-
Security Deposits	-	-	2,137.28	2,137.28	-	2,137.28	-	2,137.28
Other financial assets	-	-	110.57	110.57	-	-	-	-
Current								
Trade receivables	-	-	29,870.61	29,870.61	-	-	-	-
Cash and cash equivalents	-	-	479.29	479.29	-	-	-	-
Other bank balances	-	-	245.98	245.98	-	-	-	-
Loans	-	-	891.55	891.55	-	891.55	-	891.55
Other Current Financial Assets	-	-	1,073.63	1,073.63	-	-	-	-
	42.82	-	35,167.46	35,210.28	-	3,028.83	-	3,028.83
Financial liabilities								
Non-Current Borrowings			4,441.81	4,441.81		4,441.81		4,441.81
Current Borrowings	-	-	685.73	685.73	-	-	-	-
Trade payables	-	-	13,139.43	13,139.43	-	-	-	-
Other Non-Current financial liabilities	-	-	5,326.15	5,326.15	-	5,326.15	-	5,326.15
Other Current financial liabilities	-	-	2,723.70	2,723.70	-	-	-	-
	-	-	26,316.82	26,316.82	-	9,767.96	-	9,767.96

(₹ in lakhs)

31st March, 2018	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non Current								
Unquoted Equity Shares *	38.00	-	0.32	38.32	-	-	-	-
Employee Loans	-	-	377.09	377.09	-	-	-	-
Security Deposits	-	-	1,937.21	1,937.21	-	1,937.21	-	1,937.21
Other financial assets	-	-	116.83	116.83	-	-	-	-
Current								
Trade receivables	-	-	33,148.88	33,148.88	-	-	-	-
Cash and cash equivalents	-	-	921.15	921.15	-	-	-	-
Other bank balances	-	-	219.66	219.66	-	-	-	-
Loans	-	-	736.72	736.72	-	736.72	-	736.72
Other Current Financial Assets	-	-	822.43	822.43	-	-	-	-
	38.00	-	38,280.29	38,318.29	-	2,673.93	-	2,673.93
Financial liabilities								
Current borrowings	-	-	9,290.75	9,290.75	-	-	-	-
Trade and other payables	-	-	16,883.02	16,883.02	-	-	-	-
Other Non-Current financial liabilities	-	-	4,988.95	4,988.95	-	4,988.95	-	4,988.95
Other Current financial liabilities	-	-	1,429.18	1,429.18	-	-	-	-
	-	-	32,591.90	32,591.90	-	4,988.95	-	4,988.95

*The Fare Value in respect of the unquoted equity investments is equal to the cost of the investments as per the contractual agreements.

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique
Forward contracts	The fair value is determined using forward exchange rates at the reporting date.
Security Deposits	The valuation model considers present value of expected payments discounted using an appropriate discounting rate.
Interest rate swaps	Present value of the estimated future cash flows based on observable yield curves

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

i. Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's Risk Management framework. The Board of Directors have adopted an Enterprise Risk Management Policy framed by the Company, which identifies the risk and lays down the risk minimization procedures. The Management reviews the Risk management policies and systems on a regular basis to reflect changes in market conditions and the Company's activities, and the same is reported to the Board of Directors periodically. Further, the Company, in order to deal with the future risks, has in place various methods / processes which have been imbibed in its organizational structure and proper internal controls are in place to keep a check on lapses, and the same are been modified in accordance with the regular requirements.

The Audit Committee oversees how Management monitors compliance with the Company's Risk Management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by the internal auditors.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans and advances.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables and loans and advances.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer in which it operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Further for domestic sales, the company segments the customers into Distributors and Others for credit monitoring.

The Company maintains security deposits for sales made to its distributors. For other trade receivables, the company individually monitors the sanctioned credit limits as against the outstanding balances. Accordingly, the Company makes specific provisions against such trade receivables wherever required and monitors the same at periodic intervals.

The Company monitors each loans and advances given and makes any specific provision wherever required.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables and loans and advances.

Impairment

At 31st March , 2019, the ageing of trade receivables was as follows.

(₹ in lakhs)

	Carrying amount	
	31st March, 2019	**31st March 2018**
Neither past due nor impaired	**15,255.03**	18,530.10
Past due 1–90 days	**10,623.88**	11,010.80
Past due 91–180 days	**2,352.95**	1,728.65
Past due 181-365 days	**1,453.60**	1,446.40
Past due 366 days	**1,026.91**	1,077.96
	30,712.37	33,793.91

Management believes that the unimpaired amounts which are past due are collectible in full.

(₹ in lakhs)

	Trade receivables Impairments	**Loans**
Balance as at 1st April , 2017	669.26	52.05
Impairment loss recognised	475.72	-
Balance written back	(260.42)	-
Amounts written off	(239.53)	
Balance as at 31st March, 2018	**645.03**	**52.05**
Impairment loss recognised	**617.55**	**-**
Balance written back	**(298.45)**	**-**
Amounts written off	**(122.37)**	**-**
Balance as at 31st March, 2019	**841.76**	**52.05**

Cash and cash equivalents and other Bank balances

The Company held cash and cash equivalents and other bank balances of ₹ 725.27 lakhs as on 31 March 2019 (Previous year ₹ 1,140.81 lakhs). The cash and cash equivalents are held with bank counter parties with good credit ratings.

Derivatives

The derivatives are entered into with bank counter parties with good credit ratings.

Loans and Advances:

The Company held loans and other financial assets of ₹ 4,571.26 lakhs as on March 31 2019 (Previous year ₹ 3,990.28 lakhs). The loans and other financial assets are in nature of rent deposit paid to landlords, bank deposits with maturity more than twelve months and others and are fully recoverable.

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

As of 31st March, 2019 and 31st March, 2018 the Company had unutilized credit limits from banks of ₹ 16,741 lakhs and ₹ 8,209 lakhs respectively.

48 Financial instruments – Fair values and risk management (Continued)

Maturity profile of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹ in lakhs)

31st March, 2019	Carrying amount	Contractual cash flows					
		Total	Less than 6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Working Capital Borrowings	**685.73**	**685.73**	**685.73**	-	-	-	-
Trade and other payables	**9,810.51**	**9,810.51**	**9,810.51**	-	-	-	-
Other financial liabilities	**2,723.70**	**2,723.70**	**2,723.70**	-	-	-	-
Derivative financial liabilities							
Cross currency interest rate swaps	**5,186.62**	**5,186.62**	**216.13**	**533.92**	**1271.23**	**3165.34**	-
Forward exchange contracts used for hedging	-	-	-	-	-	-	-
- Outflow	**3,328.92**	**3,328.92**	**3,328.92**	-	-	-	-

(₹ in lakhs)

31st March, 2018	Carrying amount	Contractual cash flows					
		Total	Less than 6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Working Capital Borrowings	9,290.75	9,290.75	9,290.75	-	-	-	-
Trade and other payables	13,863.98	13,863.98	13,863.98	-	-	-	-
Other financial liabilities	1,429.18	1,429.18	1,429.18	-	-	-	-
Derivative financial liabilities							
Forward exchange contracts used for hedging							
- Outflow	3,019.04	3,019.04	3,019.04	-	-	-	-

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to the financial liabilities which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of our investments. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

Currency risk

The Company is exposed to currency risk on account of its borrowings and other payables in foreign currency. The functional currency of the Company is Indian Rupee. The Company uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date.

Exposure to currency risk (Exposure in different currencies converted to functional currency i.e. INR)

The currency profile of financial assets and financial liabilities as at 31st March, 2019 and 31st March, 2018 are as below:

(₹ in lakhs)

31st March, 2019	USD	EURO	GBP	CNY
Financial assets				
Trade and other receivables	**1,556.14**	**161.98**	**0.77**	**23.63**
Cash and Cash Equivalents	**2.33**			
	1,558.47	**161.98**	**16.77**	**23.63**
Financial liabilities				
Trade and other payables	**1,605.88**	**36.98**	**27.15**	**-**
Forecasted Purchase	**558.14**	**1,127.92**	**-**	
Less: Forward contracts	**(2,164.02)**	**(1,164.90)**	**-**	
	-	**-**	**27.15**	**-**
Net Exposure	**1,558.47**	**161.98**	**(26.38)**	**23.63**

31st March, 2018	USD	EURO	GBP	CNY
Financial assets				
Trade and other receivables	**1,469.29**	**441.01**	**16.76**	**-**
	1,469.29	**441.01**	**16.76**	**-**
Financial liabilities				
Trade and other payables	**4,109.76**	**80.57**	**-**	**-**
Less: Forward contracts	**(3,019.04)**	**-**		
	1,090.72	**80.57**	**-**	**-**
Net Exposure	**378.57**	**360.45**	**16.76**	**-**

The following significant exchange rates have been applied during the year.

INR	Year-end spot rate	
	31st March, 2019	**31st March, 2018**
USD 1	**69.16**	65.17
EUR1	**77.66**	80.17
CNY	**10.30**	10.36
GBP1	**90.50**	91.71

Sensitivity analysis

A reasonably possible strengthening (weakening) of the foreign Currency against the Indian Rupee at 31st March would have affected the measurement of financial instruments denominated in foreign currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases..

(₹ in lakhs)

	31st March, 2019		31st March, 2018	
	Profit or loss		Profit or loss	
Effect in INR	**Strengthening**	**Weakening**	**Strengthening**	**Weakening**
USD - 3% Movement	**46.75**	**46.75**	11.36	(11.36)
EUR - 3% Movement	**4.86**	**4.86**	10.81	(10.81)
CNY - 3% Movement	**0.71**	**0.71**	-	-
GBP - 3% Movement	**(0.79)**	**(0.79)**	0.50	(0.50)
	51.53	**51.53**	22.67	(22.67)

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Company's interest rate risk arises from borrowings. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

(₹ in lakhs)

	31st March, 2019	31st March, 2018
Borrowings		
Fixed rate borrowings	**-**	**-**
Variable rate borrowings	**5,872.35**	9,290.75
Less : Interest rate swaps	**(5,186.62)**	**-**
Total	**685.73**	9,290.75

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

(₹ in lakhs)

Particulars	**Profit or (loss)**	
	100 bp increase	**100 bp decrease**
March 31, 2019		
Variable-rate instruments	**(58.72)**	**58.72**
Interest rate swaps	**51.87**	**(51.87)**
Cash flow sensitivity (net)	**(6.85)**	**6.85**
March 31, 2018		
Variable-rate instruments	(92.91)	92.91
Cash flow sensitivity (net)	(92.91)	92.91

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

49 Capital Management

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves . The primary objective of the Company's Capital Management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using debt to equity ratio.

(₹ in lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Non-Current Borrowings	**4,441.81**	-
Current Borrowings	**685.73**	9,290.75
Current maturity of long term debt	**744.81**	-
Gross Debt	**5,872.35**	9,290.75
Total equity	**88,438.48**	79,717.56
Adjusted Gross debt to equity ratio	**0.07**	0.12

50 Employee Benefits

The Company contributes to the following post-employment defined benefit plans in India.

(i) Defined Contribution Plans:

The contributions to the Provident Fund and Family Pension Fund of certain employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

The Company recognised ₹ 626.56 lakhs for year ended 31 March 2019 (Previous year ₹ 583.27 lakhs) provident fund contributions in the Statement of Profit and Loss.

The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

(ii) Defined Benefit Plan:

Gratuity

The Company participates in the Employees Gratuity scheme, a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation / termination in terms of the provisions of the Payment of Gratuity Act, 1972.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31st March, 2019. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(₹ in lakhs)

	Gratuity	
Particulars	**31st March, 2019**	**31st March, 2018**
Defined benefit obligation	**1,746.84**	1,589.10
Fair value of Plan Assets at the end of the year	**(1,748.97)**	(1,485.88)
Net Obligation at the end of the year	**(2.13)**	103.22

B. Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components

(₹ in lakhs)

	Gratuity					
	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) liability	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Opening balance	**1,589.10**	1,402.78	**1,485.88**	1,226.69	**103.22**	(176.09)
Included in profit or loss	**-**	-	**121.34**	79.19	**(121.34)**	(79.19)
Current service cost	**209.04**	196.92	**-**	-	**209.04**	196.92
Past service cost	**-**	89.19	**-**	-	**-**	89.19
Interest cost (income)	**122.36**	108.01	**-**	-	**122.36**	108.01
	1,920.50	1,796.90	**1,607.22**	1,305.88	**313.28**	491.02
Included in OCI						
Remeasurement loss (gain):						
Actuarial loss (gain) arising from:	**-**	-	**-**	-	**-**	-
Demographic assumptions	**-**	-	**-**	-	**-**	-
Financial assumptions	**-**	-	**-**	-	**-**	-
Experience adjustment	**19.90**	(141.02)	**-**	-	**19.90**	(141.02)
Return on plan assets excluding interest income	**-**	-	**(38.25)**	-	**38.25**	-
	1,940.40	1,655.88	**1,568.97**	1,305.88	**333.18**	350.00
Other						
Contributions paid by the employer	**-**	-	**180.00**	180.00	**(180.00)**	(180.00)
Benefits paid	**(193.56)**	(66.78)	**-**	-	**(193.56)**	(66.78)
Closing balance	**1,746.84**	1,589.10	**1,748.97**	1,485.88	**(40.39)**	103.22
Represented by						
Net defined benefit asset					**(1,748.97)**	(1,485.88)
Net defined benefit liability					**1,746.84**	1,589.10
					(2.13)	103.22

C. Plan assets

Plan assets comprise the following:

(₹ in lakhs)

	31st March, 2019	31st March, 2018
Fund managed by Insurance Company	**1,748.97**	1,485.88

D. Defined benefit obligations

i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	31st March, 2019	31st March, 2018
Discount rate	**7.70%p.a.**	7.70%p.a.
Expected Rate of Return on Plan Assets	**7.70%p.a.**	7.70%p.a.
Salary escalation rate	**7.00%p.a.**	7.00%p.a.
Employee Turnover	**5.00%p.a.**	5.00%p.a.
Mortality rate	**Indian Assured Lives Mortality (2006-08) Ult.**	Indian Assured Lives Mortality (2006-08) Ult.

Assumptions regarding future mortality have been based on published statistics and mortality tables.

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation as follows.

(₹ in lakhs)

	31st March, 209		31st March, 2018	
	Increase	**Decrease**	Increase	Decrease
Discount rate (1% movement)	**1,594.67**	**1,923.92**	1,451.09	1,749.98
Future salary growth (1% movement)	**1,923.39**	**1,592.40**	1,749.49	1,449.04
Rate of employee turnover (1% movement)	**1,750.41**	**1,743.07**	1,592.41	1,585.62

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

Expected future cash flows

The expected future cash flows in respect of gratuity as at 31st March, 2019 were as follows.

Expected contribution

The expected contributions for defined benefit plan for the next financial year will be in line with the contribution for the year ended March 31, 2019, i.e. ₹ 150 lakhs.

Expected future benefit payments	**(₹ in lakhs)**
31st March, 2020	156.26
31st March, 2021	100.27
31st March, 2022	130.48
31st March, 2023	125.24
Thereafter	1,234.58

Compensated Absences:

The Compensated Absences is payable to all eligible employees for each day of accumulated leave on death or on resignation. Compensated Absences debited to Statement of Profit and Loss during the year amounts to ₹ 297.59 lakhs (Previous year ₹ 230.36 lakhs) and is included in Note 29 - 'Employee benefits expenses'. Accumulated non-current provision for leave encashment aggregates ₹ 538.73 lakhs (Previous year ₹ 536.65 lakhs) and current provision aggregates ₹ 380.48 lakhs (Previous year ₹ 314.98 lakhs).

51 Hedge accounting

The Company's risk management policy is to hedge its estimated foreign currency exposure in respect of highly probable forecast purchases and foreign currency borrowings. The Company uses forward exchange contracts to hedge its currency risk and cross currency interest rate swap to hedge its interest rate and currency risk related to foreign currency borrowings. Such contracts are generally designated as cash flow hedges.

The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The Company assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in the cash flows of the hedged item using the hypothetical derivative method.

a. Disclosure of effects of hedge accounting on financial position

Cash flow hedge - Forward exchange contracts

31st March, 2019 **(₹ in lakhs)**

Type of hedge and risks	Currency	Nominal Value	Carrying amount of hedging instrument (in INR)		Line item in the statement of financial position where the hedging instrument is included	Maturity date	Hedge ratio	Weighted Average strike price/ rate	Changes in fair value of the hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
			Assets	Liabilities						
Cash flow hedge			-		**Liabilities**					
Forward and option contracts	USD	**29.95**	-	**52.43**	Other current financial liabilities	April 2019 to June 2019	**1:1**	**71.13**	**(52.43)**	**52.43**
	EURO	**30.00**	**21.37**	-				**78.88**	**21.37**	**(21.37)**
Cross Currency Interest Rate Swap	USD	**75.00**	-	**192.68**	Other current financial liabilities and Other non-current financial liabilities	March 2023 to February 2024	**1:1**		**(192.68)**	**192.68**

Cash flow hedge - Cross Currency Interest Rate Swaps (CCIRS)

31st March, 2018 **(₹ in lakhs)**

Type of hedge and risks	Nominal Value (USD in lakhs)	Carrying amount of hedging instrument (in INR)		Line item in the statement of financial position where the hedging instrument is included	Maturity date	Hedge ratio	Weighted Average strike price/ rate	Changes in fair value of the hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities						
Cash flow hedge forward contracts	56.22	-	13.37	**Liabilities** Other current financial liabilities	April 2018 to June 2018	1:1	65.26	(13.37)	13.37

b. Disclosure of effects of hedge accounting on financial performance

(₹ in lakhs)

31st March, 2019	Change in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit or loss because of the reclassification
Cash flow hedge	**(84.91)**	**-**	**7.24**	**Foreign exchange loss**
31st March, 2018	Change in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit or loss because of the reclassification
Cash flow hedge	13.04	-	20.28	Foreign exchange loss

51 Hedge accounting (Continued)

The following table provides a reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting

Movements in cash flow hedging reserve

(₹ in lakhs)

Balance at 1 April 2017	(20.28)
Add : Changes in the fair value of effective portion of outstanding cash flow derivative (net of settlement)	19.94
Less : Amounts reclassified to profit or loss	-
Less: Deferred tax	(6.90)
As at March 31, 2018	**(7.24)**
Add : Changes in the fair value of effective portion of outstanding cash flow derivative (net of settlement)	**(141.13)**
Less : Amounts reclassified to profit or loss	**-**
Less: Deferred tax	**56.22**
As at March 31, 2019	**(92.15)**

52 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

i. Profit attributable to Equity holders of Company

(₹ in lakhs)

	31st March, 2019	31st March, 2018
Profit attributable to equity holders of the Company:		
Continuing operations	**11,122.92**	11,710.55
Profit attributable to equity holders of the Company for basic earnings	**11,122.92**	11,710.55
Profit attributable to equity holders of the Company adjusted for the effect of dilution	**11,122.92**	11,710.55

ii. Weighted average number of ordinary shares

	31st March, 2019	31st March, 2018
Issued ordinary shares at 1st April	**14,922,500**	14,922,500
Weighted average number of shares at 31st March for basic and Diluted EPS	**14,922,500**	14,922,500

Basic and Diluted earnings per share

(Amount in ₹)

	31st March, 2019	31st March, 2018
Basic earnings per share	**74.54**	78.48
Diluted earnings per share	**74.54**	78.48

53 Previous year figures have been re-group / reclassified wherever necessary.

AS PER OUR REPORT OF EVEN DATE ATTACHED

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sadashiv Shetty
Partner
Membership No : 048648

Mumbai
May 11, 2019

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF NILKAMAL LIMITED
CIN : L25209DN1985PLC000162

Sharad V. Parekh
Managing Director
DIN : 00035747

Hiten V. Parekh
Joint Managing Director
DIN : 00037550

Paresh B. Mehta
Chief Financial Officer
Membership No : 044670

Priti P. Dave
Company Secretary
Membership No : 19469

Mumbai
May 11, 2019

Performance at a glance

(₹ In lakhs)

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Net Sales	178,666	185,759	195,665	210,796	230,418
Profit Before Tax	6,052	15,466	16,892	17,876	15,868
Profit After Tax	4,246	10,478	11,845	11,711	11,123
Share Capital	1,492	1,492	1,492	1,492	1,492
Reserves and Surplus	48,474	57,028	68,221	78,225	86,946
Shareholder's Funds	49,966	58,520	69,713	79,718	88,438
Loan Funds	12,524	7,445	8,281	9,291	5,872
Total Capital Employed	62,490	65,965	77,994	89,008	94,311
Long Term Liabilities and Provisions	4,403	4,506	5,472	5,874	6,242
Deffered Tax Liability	1,552	970	522	1,072	1,780
Gross Block	71,927	73,607	78,980	87,382	97,316
Net Block	28,702	26,544	28,841	33,547	39,703
Investments	2,556	2,562	2,568	2,568	2,572
Long Term Loans and Advances and other non current Assets	5,252	5,059	5,001	4,723	5,153
Net Current Assets	40,114	40,332	47,578	55,117	54,905
RATIO					
Financial Performance %	**2014-15**	**2015-16**	**2016-17**	**2017-18**	**2018-19**
Domestic Turnover / Total Revenue	96.66	94.96	94.98	96.35	97.05
Exports / Total Revenue	3.00	4.54	4.41	3.28	2.22
Other Income / Total Revenue	0.34	0.51	0.61	0.37	0.74
Raw Material / Total Revenue	63.35	57.55	57.45	55.05	58.50
Overheads / Total Revenue	22.33	23.12	23.50	25.85	24.18
Interest / Total Revenue	1.65	0.97	0.59	0.59	0.68
Profit Before Tax / Total Revenue	3.38	8.28	8.58	8.45	6.84
Depreciation / Total Revenue	3.00	2.84	2.48	2.29	2.14
Net Profit After Tax / Total Revenue	2.37	5.61	6.02	5.54	4.79
Return on Capital Employed	9.10	16.88	17.07	14.91	13.23
Return on Net Worth	8.82	19.32	18.47	15.67	13.23
Balance Sheet Ratios					
Debtors Turnover (days)	41	44	47	48	40
Inventory Turnover	56	58	61	64	60
Current Ratio	3.66	3.09	3.47	3.51	3.79
Asset Turnover	6.22	7.00	6.78	6.28	5.80
Debt-Equity	0.41	0.18	0.12	0.12	0.07
Per Share Data - Rs.					
EPS	28.45	70.22	79.38	78.48	74.54
CEPS	64.48	105.78	112.09	110.96	107.80
Book Value	334.84	392.16	467.17	534.21	592.65
Shareholder Statitics					
DPS	4.5	7.0	11.0	13.0	13.0
Dividend (%)	45	70	110	130	130
Dividend Payout (Rs)	772	1,141	1,812	2,247	2,260
Dividend Payout (%)	18	11	15	19	20

INDEPENDENT AUDITORS' REPORT

To the Members of Nilkamal Limited

Report on the Audit of Consolidated Ind AS Financial Statements

Opinion

We have audited the consolidated Ind AS financial statements of Nilkamal Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its joint ventures, which comprise the consolidated Balance Sheet as at 31 March 2019, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income) , consolidated Statement of Changes in Equity and consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries and joint ventures as were audited by the other auditors, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint ventures as at 31 March 2019, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to the key audit matter to be communicated in our report.

Description of Key Audit Matter

Revenue Recognition

See Note 27 to the Consolidated Financial Statements

The key audit matter	How the matter was addressed in our audit
Revenue recognition Revenue is measured net of discounts and sales incentives/schemes earned by customers on the Company's sales. Due to the Company's presence across different marketing regions within the country and the competitive business environment, the estimation of the various types of discounts and sales incentives/schemes to be recognised based on sales made during the year is material and considered to be judgmental. Therefore, there is a risk of revenue being misstated as a result of erroneous estimations over discounts and sales incentives/schemes. Revenue is recognised when the control of the products being sold has transferred to the customer. Therefore, there is a risk of revenue being overstated on account of variation in the timing of transfer of control due to the pressure management may feel to achieve performance targets at the reporting period end.	**Our audit procedures included:** a. Assessing the appropriateness of the revenue recognition accounting policies, including those relating to discounts and sales incentives/schemes by comparing with applicable accounting standards. b. Testing the design, implementation and operating effectiveness of the Company's general IT controls and key IT/manual application controls over the Company's systems which govern recording of revenue, creation of new customers, discounts and sales incentives/schemes in the general ledger accounting system. c. Performing substantive testing (including year-end cut-off testing) by selecting samples of revenue transactions recorded during the year (and before and after the financial year end), including one off sales to customers, by verifying the underlying documents, which included sales invoices/contracts and shipping documents. d. We compared the historical discounts and sales incentives/schemes to current payment trends. We also considered the historical accuracy of the Company's estimates in previous years. e. Performing substantive testing by checking samples of discounts and sales incentives/schemes transactions to supporting documentation. f. We assessed manual journals posted to revenue to identify unusual items. g. Considering the adequacy of the Company's disclosures in respect of revenue.

Information other than the financial statements and Auditors' report thereon ("Other Information")

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the holding Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated Ind AS financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company. and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective management and Board of Directors of the companies included in the Group and its joint ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and its joint ventures is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material

uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group (company and subsidiaries) as well as joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and joint ventures to express an opinion on the consolidated Ind AS financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

  We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements of four subsidiaries whose financial statements reflect total assets of Rs. 5,264.19 lakhs as at 31 March 2019, total revenues of Rs. 7,278.60 lakhs and net cash inflows amounting to Rs. 428.73 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) of Rs. 418.99 lakhs for the year ended 31 March 2019 as considered in the Consolidated Financial Statements, in respect of one joint venture, whose financial statements/financial information have not been audited by us. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and its joint venture, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and its joint ventures is based solely on the audit reports of the other auditors.

    Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, and joint venture as were audited by other auditors, as noted in the ‘Other Matters’ paragraph, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Ind AS specified under section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and joint ventures incorporated in India, none of the directors of the Group companies and joint ventures incorporated in India is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”.

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and joint ventures, as noted in the ‘Other Matters’ paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, and joint ventures. Refer Note 36 a to the consolidated Ind AS financial statements.

ii. The Group and its joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2019.

iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies and joint ventures incorporated in India during the year ended 31 March 2019.

iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2019

C. With respect to the matter to be included in the Auditor’s report under section 197(16):

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies and its joint ventures incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary companies and its joint ventures to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company, its subsidiary companies, and joint ventures is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-10022

Sadashiv Shetty
Partner
(Membership No. 048648)

Mumbai
11 May 2019

Annexure A to the Independent Auditors' report on the consolidated financial statements of Nilkamal Limited for the period ended 31st March 2019

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph (1(A)(f)) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2019, we have audited the internal financial controls with reference to consolidated financial statements of Nilkamal Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 ('the Act") which are its subsidiary companies and its joint venture companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies and joint venture companies (jointly controlled companies), have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies, associate companies and joint venture companies (jointly controlled companies) in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in sofar as it relates to 4 subsidiary companies, and 2 joint venture companies (jointly controlled companies), which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sadashiv Shetty
Partner
Membership No: 048648

Mumbai
11 May 2019

Consolidated Balance Sheet as at 31st March, 2019

(₹ in lakhs)

Particulars	Note	As at 31st March 2019	As at 31st March 2018
I. ASSETS			
1 Non-current Assets			
(a) Propety, Plant and Equipment	1	**39,742.35**	34,311.96
(b) Capital Work-in-Progress		**1,384.37**	878.40
(c) Other Intangible assets	1	**110.90**	92.98
(d) Investment in Joint ventures	2	**4,983.12**	4,439.99
(e) Financial Assets			
(i) Investments	3	**43.14**	38.32
(ii) Loans	4	**2,502.04**	2,322.27
(iii) Other Financial Assets	5	**110.57**	116.83
		2,655.75	2,477.42
(f) Other Non-Current Assets	6	**2,546.48**	2,292.21
Total Non-Current Assets		**51,422.97**	**44,492.96**
2 Current assets			
(a) Inventories	7	**39,290.36**	37,938.05
(b) Financial Assets			
(i) Investments	8	**96.16**	191.16
(ii) Trade Receivables	9	**30,902.31**	34,009.36
(iii) Cash and cash equivalents	10	**1,316.65**	1,745.38
(iv) Bank balance other than cash and cash equivalents	11	**348.83**	295.66
(v) Loans	12	**891.55**	736.72
(vi) Other Financial Assets	13	**1,065.98**	822.49
		34,621.48	37,800.77
(c) Current Tax Assets (Net)		**464.78**	-
(d) Other Current Assets	14	**3,572.15**	4,585.63
Total Current Assets		**77,948.77**	80,324.45
Total Assets		**1,29,371.74**	1,24,817.41
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital	15	**1,492.25**	1,492.25
(b) Other Equity	16	**92,625.78**	83,365.36
Total Equity attributable to Owners of the Company		**94,118.03**	84,857.61
2 Non-controlling Interests		**723.36**	723.71
Total Equity		**94,841.39**	85,581.32
3 Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	**4,441.81**	-
(ii) Other Financial Liabilities	18	**5,333.28**	4,996.49
		9,775.09	4,996.49
(b) Provisions	19	**735.05**	720.24
(c) Deferred Tax Liabilities (Net)	20	**2,042.06**	1,295.84
(d) Other Non-Current Liabilities	21	**377.02**	348.37
Total Non-current Liabilities		**12,929.22**	7,360.94
4 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	**701.49**	9,316.61
(ii) Trade Payables	23		
(a) Total Outstanding dues of micro enterprises and small enterprises		**-**	-
(b) Total Outstanding dues of creditors other than micro enterprises and small enterprises		**13,378.72**	17,105.60
(iii) Other Financial Liabilities	24	**2,723.70**	1,429.18
(b) Other Current Liabilities		**3,696.68**	2,574.86
(c) Provisions	25	**1,087.10**	1,070.63
(d) Current Tax Liabilites (Net)	26	**13.44**	378.27
Total Current Liabilities		**21,601.13**	31,875.15
TOTAL EQUITY AND LIABILITITES		**1,29,371.74**	1,24,817.41
Significant accounting policies	35		

The notes referred to above form an integral part of the consolidated financial statements.

AS PER OUR REPORT OF EVEN DATE ATTACHED.
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sadashiv Shetty
Partner
Membership No: 048648

Mumbai
May 11, 2019

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF NILKAMAL LIMITED
CIN: L25209DN1985PLC000162

Sharad V. Parekh
Managing Director
DIN: 00035747

Hiten V. Parekh
Joint Managing Director
DIN: 00037550

Paresh B. Mehta
Chief Financial Officer
Membership No: 044670

Priti P. Dave
Company Secretary
Membership No. 19469

Mumbai
May 11, 2019

Consolidated Statement of profit and loss for the year ended 31st March, 2019

(₹ in lakhs)

	Particulars	Note	Year ended 31st March 2019	Year ended 31st March 2019
I.	**Revenue from operations**	27	**236,236.37**	216,083.78
II.	**Other Income**	28	**1,299.41**	368.62
III.	**Total Revenue (I+II)**		**237,535.78**	216,452.40
IV.	**Expenses:**			
	Cost of Materials Consumed		**89,663.55**	74,762.22
	Purchases of Stock in Trade		**53,405.87**	45,336.79
	Changes in inventories of Finished Goods, Stock in Trade and Work-in-Progress	29	**(3,866.68)**	(745.01)
	Excise Duty		**-**	3,679.37
	Employee Benefits Expense	30	**18,666.25**	17,307.74
	Finance Costs	31	**1,583.76**	1,253.88
	Depreciation and Amortization Expense	1	**5,166.20**	5,048.46
	Other Expenses	32	**57,027.55**	51,798.46
	Total Expenses		**221,646.50**	198,441.91
V.	**Profit Before share of Profit of Equity accounted investee and Income Tax (III-IV)**		**15,889.28**	18,010.49
VI.	**Shares of Profit in Joint Ventures (net of Tax)**		**705.93**	670.74
VII	**Profit before Tax (V+VI)**		**16,595.21**	18,681.23
VIII	**Income Tax Expense:**			
	Current tax	34	**4,858.66**	5,731.67
	Deferred tax Charge/(Credit)	34	**771.97**	545.28
	Taxation for earlier years Charges/(Credit)		**(804.86)**	18.44
	Total Tax expenses		**4,825.77**	6,295.39
IX	**Net Profit After Tax (VII-VIII)**		**11,769.44**	12,385.84
X	**Other Comprehensive Income:**			
	Items that will not be reclassified to profit or loss			
	Remeasurements of defined benefit liability/(asset)		**(58.15)**	141.02
	Income Tax effect on above		**20.12**	(48.80)
	Items that will be reclassified to profit or loss			
	Effective portion of cash flow hedge reserve		**(141.13)**	19.94
	Income tax Effect on Above		**56.22**	(6.90)
	Share of Other Comprehensive income in Joint Venture		**(5.09)**	4.13
	Total Other Comprehenive Income for the year		**(128.03)**	109.39
XI.	**Total Comprehensive Income (IX + X)**		**11,641.41**	12,495.23
	Profit for the year attributable to:			
	Equity Shareholder of the Company		11,733.31	12,346.96
	Non-Controlling Interests		36.13	38.88
	Other Comprehensive income (net of tax) attributable to:			
	Equity Shareholder of the Company		(128.03)	109.39
	Non-Controlling Interest		-	-
	Total Comprehensive income attributable to:			
	Equity Shareholder of the Company		11,605.28	12,456.35
	Non-Controlling Interest		36.13	38.88
XII.	**Earnings per equity share of ₹ 10 each (Previous Year ₹ 10 each)**	51		
	(1) Basic (in ₹)		**78.63**	82.74
	(2) Diluted (in ₹)		**78.63**	82.74
	Weighted average number of equity shares outstanding		**14,922,525**	14,922,525
	Significant accounting policies	35		

The notes referred in above form an integral part of the Consolidated financial statements.

AS PER OUR REPORT OF EVEN DATE ATTACHED.
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sadashiv Shetty
Partner
Membership No: 048648

Mumbai
May 11, 2019

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF NILKAMAL LIMITED
CIN: L25209DN1985PLC000162

Sharad V. Parekh
Managing Director
DIN: 00035747

Hiten V. Parekh
Joint Managing Director
DIN: 00037550

Paresh B. Mehta
Chief Financial Officer
Membership No: 044670

Priti P. Dave
Company Secretary
Membership No. 19469

Mumbai
May 11, 2019

Consolidated cash flow statement for the year ended 31st March, 2019

(₹ In Lakhs)

			Year ended on 31st March 2019		Year ended on 31st March 2018
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit before tax		**15,889.28**		18,010.49
	Adjustments for :				
	Depreciation and Amortisation	**5,166.20**		5,048.46	
	Unrealised Forex Loss on Forward Contract	**22.45**		-	
	(Profit) / Loss on sale of Property, Plant and Equipment	**42.96**		(28.21)	
	Non-cash expenses adjustment for Gratuity	**(53.06)**		88.09	
	Finance Costs	**1,583.76**		1,253.88	
	Interest Income	**(537.19)**		(310.15)	
	Provision for Rent Equalisation	**28.65**		68.31	
	Provision for doubtful debts and advances	**199.28**		(29.28)	
	Bad Debts Written off	**123.98**		333.05	
	Unrealised Foreign Currency Loss	**29.05**		7.61	
			6,606.08		6,431.76
	Operating Profit before Working Capital changes		**22,495.36**		24,442.25
	Adjustments for :				
	(Increase) / Decrease in Trade Receivables	**2,779.53**		(4,200.33)	
	(Increase) / Decrease in Other Receivables	**532.55**		(1,405.28)	
	(Increase) in Inventories	**(1,352.31)**		(4,333.36)	
	Increase / (Decrease) in Trade Payables	**(3,751.67)**		5,940.21	
	Increase / (Decrease) in Other Payables & Provisions	**1,424.32**		(2,746.75)	
			(367.58)		(6,745.51)
	Cash generated from operations		**22,127.78**		17,696.74
	Direct Taxes Paid (Net of Refund)	**(4,645.04)**		(5,627.16)	
			(4,645.04)		(5,627.16)
	Net Cash Inflow from Operating Activities (A)		**17,482.74**		12,069.58
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Acquisition of Property,Plant and Equipment	**(11,447.98)**		(10,188.13)	
	Proceeds from Sale of Property, Plant and Equipment	**299.58**		278.08	
	Share of profit from Joint Ventures	**130.80**		31.50	
	Investments (made) / sold during the year [Net]	**48.40**		83.46	
	Interest Received	**323.06**		230.13	
	Net Cash Outflow from Investing Activities (B)		**(10,646.14)**		(9,564.96)
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Receipt / (Repayment) of Long term Borrowings	**5,233.40**		(14.83)	
	Increase/ (Decrease) in Short Term borrowings (Net)	**(8,615.12)**		1,036.05	
	Interest paid	**(1,593.12)**		(1,238.80)	
	Dividend paid (including dividend distribution tax)	**(2,279.06)**		(1,811.55)	
	Net Cash Inflow/(Outflow) from Financing Activities (C)		**(7,253.90)**		(2,029.13)
D.	**Change In Foreign Currency Fluctuation Reserve Arising On Consolidation (D)**		**(11.43)**		(59.12)
	Net Increase /(Decrease) in Cash and Cash Equivalents (A+B+C+D)		**(428.73)**		**416.37**
	Cash and Cash Equivalents as at the beginning of the year	**1,745.38**		1,329.01	
	Cash and Cash Equivalents as at the year end	**1,316.65**		1,745.38	
	Net Increase /(Decrease) in Cash and Cash Equivalents		**(428.73)**		416.37

Consolidated cash flow statement for the year ended 31st March, 2019

Notes to the Cash Flow Statement

(₹ In Lakhs)

1. **Components of cash and cash equivalents (Refer Note -10)**

	Year ended on 31st March 2019	Year ended on 31st March 2018
(a) Cash on Hand	**107.39**	148.68
(b) Cheques on Hand / Remittance in Transit	**92.60**	121.56
(c) Balance in Current Accounts	**540.24**	1,167.86
(d) Bank Deposits with less than 3 months maturity	**576.42**	307.28
Cash and cash Equivalents	**1,316.65**	1,745.38

2 **Debt reconciliation statement in accordance with Ind AS 7**

Opening balances				
Long-term borrowing (Refer Note - 17)	**-**		14.83	
Short-term borrowing (Refer Note - 22)	**9,316.61**		8,280.56	
		9,316.61		8,295.39
Movements				
Long-term borrowing	**5,233.40**		(14.83)	
Exchange gain on re-statement of long term borrowings.	**(46.78)**		-	
Short-term borrowing	**(8,615.12)**		1,036.05	
		(3,428.50)		1,021.22
Closing balances				
Long-term borrowing (Refer Note - 17)	**4,441.81**		-	
Current Maturities of Long term borrowings (Refer Note - 24)	**744.81**		-	
Short-term borrowing (Refer Note - 22)	**701.49**		9,316.61	
		5,888.11		9,316.61

3 The Cash Flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard (Ind As -7) Statement of Cash Flows .

4 Previous year's figures have been regrouped / recasted wherever necessary.

AS PER OUR REPORT OF EVEN DATE ATTACHED.
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sadashiv Shetty
Partner
Membership No: 048648

Mumbai
May 11, 2019

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF NILKAMAL LIMITED
CIN: L25209DN1985PLC000162

Sharad V. Parekh
Managing Director
DIN: 00035747

Hiten V. Parekh
Joint Managing Director
DIN: 00037550

Paresh B. Mehta
Chief Financial Officer
Membership No. 44670

Priti P. Dave
Company Secretary
Membership No. 19469

Mumbai
May 11, 2019

Notes to the Consolidated cash flow statement

Statement of Changes in Consolidated Equity (SOCIE) for the year ended 31st March, 2019.

(₹ in lakhs)

(a) Equity share capital

	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the reporting period Balance	14,922,525	1,492.25	14,922,525	1,492.25
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the reporting period	14,922,525	1,492.25	14,922,525	1,492.25

(b) Other equity

(₹ in lakhs)

Particulars	Reserves and Surplus					Other Reserve	Grand Total		
	Retained Earnings	Securities Premium	General Reserve	Share of Profit in Joint Venture	Foreign Currency Translation Reserves	Effective portion of cash flow hedges	Attributable to Equity Shareholders of the Company	Attributable to Non Controlling Interests	Total
Balance at 1st April, 2017	34,890.78	6,448.96	31,147.20	418.24	(184.58)	(20.28)	72,700.32	723.07	73,423.39
Profit for the year	12,346.96	-	-	-	-	-	12,346.96	38.88	12,385.84
Adjustment	90.95						90.95	-	90.95
Other comprehensive income for the year (net of tax)	92.22	-	-	-	-	13.04	105.26	-	105.26
Share of other comprehensive income of Joint Venture	4.13						4.13		4.13
Total comprehensive income for the year	**12,534.26**	-	-	-	-	**13.04**	**12,547.30**	**38.88**	**12,586.18**
Interim dividend declared and paid	(596.90)						(596.90)	-	(596.90)
DDT on interim and final dividend distributed	(170.07)						(170.07)	-	(170.07)
Final Dividend declared and paid	(1,044.58)						(1,044.58)	(30.50)	(1,075.08)
Transfer to General reserve	(3,884.84)		3,884.84				-		
Foreign Currency Monetary Item Translation Difference Account					(70.71)	-	(70.71)	(7.74)	(78.45)
Balance at 31st March, 2018	41,728.65	6,448.96	35,032.04	418.24	(255.29)	(7.24)	83,365.36	723.71	84,089.07
Profit for the year	11,733.31						11733.31	36.13	11,769.44
Other comprehensive income for the year	(38.03)	-	-	-	-	(84.91)	(122.94)	-	(122.94)
Share of Other Comprehensive Income of Joint Venture	(5.09)						(5.09)		(5.09)
Total comprehensive income for the year	**11,690.19**	-	-	-	-	**(84.91)**	**11,605.28**	**36.13**	**11,641.41**
Interim dividend declared and paid	(596.90)						(596.90)	-	(596.90)
Final Dividend declated and paid	(1,343.03)						(1,343.03)	(1.85)	(1,344.88)
DDT on interim and final dividend distributed	(339.15)						(339.15)	-	(339.15)
Foreign Currency Monetary Item Translation Difference Account					(65.78)	-	(65.78)	(34.63)	(100.41)
Balance at 31st March, 2019	**51,139.76**	**6,448.96**	**35,032.04**	**418.24**	**(321.07)**	**(92.15)**	**92,625.78**	**723.36**	**93,349.14**

AS PER OUR REPORT OF EVEN DATE ATTACHED.
For B S R & Co. LLP
Firm's Registration No: 101248W/W-100022
Chartered Accountants

Sadashiv Shetty
Partner
Membership No: 048648

Mumbai
May 11, 2019

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF
NILKAMAL LIMITED
CIN: L25209DN1985PLC000162

Sharad V. Parekh
Managing Director
DIN: 00035747

Hiten V. Parekh
Joint Managing Director
DIN: 00037550

Paresh B. Mehta
Chief Financial Officer
Membership No. 44670

Priti P. Dave
Company Secretary
Membership No. 19469

Mumbai
May 11, 2019

1. Property, Plant and Equipment and Intangible Assets

(₹ in lakhs)

	Property, Plant and Equipment										Intangible Assets	Total
	Freehold Land	Leasehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicle	Leasehold Improvements	Lease Equipment	Total	Software	
Gross Block												
Balance as at 1st April, 2017	1,241.29	167.27	10,542.40	18,475.09	2,689.42	1,408.52	540.43	1,617.06	61.55	36,743.03	272.74	37,015.77
Addition during the year	-	-	3,432.09	8,070.54	633.57	342.13	113.14	-	-	12,591.47	70.62	12,662.09
Adjustments	-	-	-	(1.25)	0.15	1.10	-	-	-	-	-	-
Disposal	-	-	27.64	265.04	36.92	26.04	134.28	63.81	-	553.73	-	553.73
Exchange Translation	(2.33)	-	(14.72)	(16.33)	(0.57)	(0.75)	(4.70)	-	-	(39.40)	(0.92)	(40.32)
Balance as at 31st March 2018	1,238.96	167.27	13,932.13	26,263.01	3,285.65	1,724.96	514.59	1,553.25	61.55	48,741.37	342.44	49,083.81
Opening Balance as at 1st April 2018	**1,238.96**	**167.27**	**13,932.13**	**26,263.01**	**3,285.65**	**1,724.96**	**514.59**	**1,553.25**	**61.55**	**48,741.37**	**342.44**	**49,083.81**
Addition during the year	**-**	**-**	**803.05**	**9,023.02**	**496.96**	**340.79**	**67.06**	**81.52**	**-**	**10,812.40**	**84.95**	**10,897.35**
Adjustments	**-**	**-**	**(42.50)**	**(25.05)**	**55.43**	**10.22**	**-**	**42.50**	**(40.60)**	**-**	**-**	**-**
Disposal	**-**	**-**	**3.62**	**209.21**	**19.66**	**13.69**	**81.78**	**71.51**	**-**	**399.47**	**-**	**399.47**
Exchange Translation	**(5.82)**	**-**	**(37.59)**	**(66.34)**	**1.05**	**(0.82)**	**(2.74)**	**-**	**-**	**(112.26)**	**(2.34)**	**(114.60)**
Balance as at 31st March 2019	**1,233.14**	**167.27**	**14,651.47**	**34,985.43**	**3,819.43**	**2,061.46**	**497.13**	**1,605.76**	**20.95**	**59,042.04**	**425.05**	**59,467.09**
Depreciation												
Balance as at 1st April 2017	-	4.68	956.16	6,045.76	1,016.79	787.78	190.17	709.09	16.02	9,726.45	215.47	9,941.92
Depreciation for the year	-	2.18	520.03	3,373.29	434.56	318.89	80.35	277.04	8.01	5,014.35	34.11	5,048.46
Adjustment	-	-	-	(1.04)	(0.14)	(0.90)	-	-	-	-	-	-
Disposal	-	-	1.54	103.67	33.21	23.95	77.67	63.80	-	303.84	-	303.84
Exchange Translation	-	-	(1.38)	(4.62)	(0.15)	(0.41)	(0.99)	-	-	(7.55)	(0.12)	(7.67)
Balance as at 31st March 2018	-	6.86	1,473.27	9,309.72	1,418.13	1,083.21	191.86	922.33	24.03	14,429.41	249.46	14,678.87
Balance as at 1st April 2018	**-**	**6.86**	**1,473.27**	**9,309.72**	**1,418.13**	**1,083.21**	**191.86**	**922.33**	**24.03**	**14,429.41**	**249.46**	**14,678.87**
Depreciation for the year	**-**	**2.18**	**588.08**	**3,581.14**	**410.54**	**294.83**	**68.30**	**151.98**	**3.81**	**5,100.86**	**65.34**	**5,166.20**
Adjustment	**-**	**-**	**(0.68)**	**9.24**	**2.91**	**7.80**	**-**	**0.68**	**(19.95)**	**-**	**-**	**-**
Disposal /Adjustments	**-**	**-**	**0.92**	**64.31**	**14.83**	**12.13**	**62.08**	**53.04**	**0.19**	**207.50**	**(0.02)**	**207.48**
Exchange Translation	**-**	**-**	**(5.16)**	**(19.06)**	**0.49**	**(0.46)**	**1.11**	**-**	**-**	**(23.08)**	**(0.67)**	**(23.75)**
Balance as at 31st March 2019	**-**	**9.04**	**2,054.59**	**12,816.73**	**1,817.24**	**1,373.25**	**199.19**	**1,021.95**	**7.70**	**19,299.69**	**314.15**	**19,613.84**
NET BOOK VALUE												
As at 31st March 2019	**1,233.14**	**158.23**	**12,596.88**	**22,168.70**	**2,002.19**	**688.21**	**297.94**	**583.81**	**13.25**	**39,742.35**	**110.90**	**39,853.25**
As at 31st March 2018	**1,238.96**	**160.41**	**12,458.86**	**16,953.29**	**1,867.52**	**641.75**	**322.73**	**630.92**	**37.52**	**34,311.96**	**92.98**	**34,404.94**

Notes:- a) Leasehold Land acquisition value includes ₹ 0.01 lakhs (previous year : ₹ 0.01 lakhs) paid by way of subscription of shares for membership of co-operative housing society.

b) Pending completion of the relevant formalities of the fixed assets having Gross block value ₹ 255.87 lakhs (Previous year ₹ 255.87 lakhs) and Net block value ₹ 235.83 lakhs (Previous year ₹ 240.64 lakhs) which vested in the name of Company pursuant to the scheme of amalgamation, such assets continue to be in the name of the erstwhile amalgamated companies.

c) During the year the Company has entered into a sale and lease back agreement with Sinnar Taluka Industrial Co-op Society Limited ('the buyer') for land at Sinnar having Gross and net block value ₹ 13.52 lakhs. Pending lease agreement finalisation no accounting has been done and the title remains with the buyer.

d) For capital commitment with regards to property plant and equipemnt refer note 36 (b).

e) For Assets on hypothecation as security against borrowing refer note 39.

f) For assets value given on operating lease refer note 42 (b).

		As at 31st March 2019	As at 31st March 2018
			(₹ in lakhs)
2	**Investments in Joint Ventures**		
	(Valued at cost unless stated otherwise)		
	Trade Investment (Unquoted)		
	Investment in Equity instruments of Joint Ventures		
	(i) 2,220,000 (Previous Year: 22,20,000) Equity Shares of of ₹ 10 each of Nilkamal Bito Storage Systems Private Limited, fully paid up	**2,215.50**	2,215.50
	(ii) 105,000 (Previous Year: 1,05,000) Equity Shares of ₹ 10 each of Cambro Nilkamal Private Limited, fully paid up	**200.50**	200.50
	Add : Shares of Profit in Joint Ventures	**2,567.12**	2,023.99
	Total	**4,983.12**	4,439.99
	Aggregate amount of unquoted other investments	**4,983.12**	4,439.99
3	**Other Non-Currrent investments (Refer Note 47)**		
	Unquoted		
	(a) Investment - Others		
	225,370 (Previous year - 200,000) Equity Shares of ₹ 10 each of Beta Wind Farm Private Limited fully paid up	**42.82**	38.00
	(b) Investment in Government Securities		
	National Savings Certificates (Pledged with Government authorities)	**0.32**	0.32
	Total	**43.14**	38.32
	Aggregate amount of unquoted other investments	**43.14**	38.32
4	**Non-Current Loans**		
	Unsecured, Considered good		
	(a) Employee Loans	**364.76**	385.06
	(b) Security Deposit		
	(i) With Other than related parties	**1,417.28**	1,217.21
	(ii) With related parties (refer note no 41)	**720.00**	720.00
	Total	**2,502.04**	2,322.27
5	**Others Non-Current Financial Assets**		
	Unsecured, Considered good		
	Bank Deposits with more than 12 months maturity	**110.57**	116.83
	Total	**110.57**	116.83
6	**Other Non-Current assets**		
	Unsecured, Considered good		
	To parties other than related parties :		
	(i) Capital Advances	**1,065.18**	766.99
	(ii) Deposit with Government Authorities	**1,134.71**	1,131.44
	(iii) Other Loans and Advances		
	(a) Prepaid Lease Rental	**346.59**	393.78
	Total	**2,546.48**	2,292.21

(₹ in lakhs)

		As at 31st March 2019	As at 31st March 2018
7	**Inventories**		
	(Valued at the lower of cost and net realisable value)		
	I. Raw Material (including Goods in Transit ₹ 493.65 lakhs Previous Year: ₹ 1361.27 lakhs))	**6,933.56**	9,056.61
	II. Work in Progress	**3,387.87**	3,754.79
	III.Finished Goods	**10,357.59**	9,291.79
	IV. Stock in Trade (including Goods in Transit ₹ 750.20 lakhs (Previous Year: ₹ 582.86 lakhs))	**16,521.57**	13,353.78
	V. Stores and Spares	**1,764.51**	2,105.43
	VI. Packing Material	**325.26**	375.65
	Total	**39,290.36**	37,938.05

During the year an amount of ₹ 397.16 (Previous Year ₹ 122.40 lakhs) was charged to the statement of Profit and Loss on account of damage and slow moving Inventory.

For Inventories on hypothecation as security against borrowing refer note 39.

		As at 31st March 2019	As at 31st March 2018
8	**Current Investments**		
	Investment in Mutual Funds		
	Non Traded (Unquoted)		
	Sri Lankan Government Treasury Investment	**96.16**	191.16
	Total	**96.16**	191.16
9	**Trade Receivables**		
	(a) Considered good - Secured	**4,666.12**	4,349.27
	(b) Considered good - Unsecured	**26,236.19**	29,660.09
	(c) With significant increase in credit risk	**-**	-
	(d) Credit Impaired	**866.84**	667.50
	Less: Provision for Loss allowance (Refer Note - 47)	**(866.84)**	(667.50)
	Total	**30,902.31**	34,009.36

For Trade receivable on hypothecation as security against borrowing (Refer Note - 39).

Trade receivables (unsecured considered good) included ₹ 516.99 lakhs (Previous year ₹ 556.74 lakhs) due from joint venture companies (Refer Note 41).

		As at 31st March 2019	As at 31st March 2018
10	**Cash and Cash Equivalents**		
	(I) Cash and Cash Equivalents		
	(a) Cash on Hand	**107.39**	148.68
	(b) Cheques on Hand	**92.60**	121.56
	(c) Balance with banks in Current Accounts	**540.24**	1,167.86
	(d) Bank Deposits with less than 3 months maturity	**576.42**	307.28
	Total	**1,316.65**	1,745.38
11	**Bank Balances other than Cash and Cash Equivalents**		
	(a) Bank Deposits with 3-12 months maturity	**306.17**	258.12
	(b) Earmarked Balance with Bank (Unclaimed Dividend)	**42.66**	37.54
	Total	**348.83**	295.66
12	**Current Loans**		
	a) Secured Consider Good	**-**	-
	b) Unsecured Considered Good		
	To parties other than related parties		
	Security Deposit	**891.55**	736.72
	c) With Significant Increase in Credit Risk	**-**	-
	d) Credit Impaired	**-**	-
	Security Deposit Considered Doubtful	**52.05**	52.05
	Less: Provision for Loss Allowance	**(52.05)**	(52.05)
	Total	**891.55**	736.72

(₹ in lakhs)

		As at 31st March 2019	As at 31st March 2018
13	**Other Current Financial Assets**		
	(a) Interest Receivable	**1.99**	1.30
	(b) Due from Related Parties (Refer Note - 41)	**8.73**	18.23
	(c) Discount Receivable	**1,050.98**	790.69
	(d) Other Receivable	**4.28**	12.27
	Total	**1,065.98**	822.49
14	**Other Current Assets**		
	To parties other than related parties		
	(a) Advances to Vendors	**1,168.36**	1,307.81
	(b) Advances for Expenses	**93.60**	77.40
	(c) Balance with authorities	**1,589.15**	2,423.56
	(d) Prepaid Expenses	**370.91**	380.78
	(e) Other than Related Parties	**335.94**	359.15
	(f) Deposit	**14.19**	36.93
	Total	**3,572.15**	4,585.63
15	**Equity Share Capital**		
	Authorised		
	220,00,000 (Previous Year: 220,00,000) Equity Shares of ₹ 10 each	**2,200.00**	2,200.00
	30,00,000 (Previous Year: 30,00,000) Preference Shares of ₹ 10 each)	**300.00**	300.00
	Total	**2,500.00**	2,500.00
	Issued, Subscribed and Fully Paid up		
	1,49,22,525 Equity Shares of ₹ 10 each (Previous year - 1,49,22,525 Equity Shares of ₹ 10 each) (Refer Note 38)	**1,492.25**	1,492.25
	Total	**1,492.25**	1,492.25
16	**Other Equity**		
	a. Surplus (Profit and Loss)		
	At the Commencement of the year	**41,728.65**	34,890.78
	Add: Net Profit for the year	**11,733.31**	12,346.96
	Add : Other Comprehensive Income for the year	**(38.03)**	92.22
	Add : Other Comprehensive Income of Joint Venture	**(5.09)**	4.13
	Add: Adjustment of Previous Year *	**-**	90.95
	Less: Appropriations		
	Final Dividend 31st March, 2018 ₹ 9 per share (31st March 2017 ₹ 7 per share)	**1,343.03**	1,044.58
	Interim Dividend	**596.90**	596.90
	Tax on Final / Interim Dividend	**339.15**	170.07
	Transfer to General Reserve	**-**	3,884.84
		51,139.76	41,728.65
	*Adjustment relates to opening reserve of Nilkamal Foundation.		
	b. Securities Premium		
	At the Commencement and at the end of the year	**6,448.96**	6,448.96
	c. General Reserve		
	At the Commencement of the year	**35,032.04**	31,147.20
	Add: Transferred from Surplus	**-**	3,884.84
		35,032.04	35,032.04
	d. Foreign Currency Translation Reserve		
	At the Commencement of the year	**(255.29)**	(184.58)
	Add/(Less): Exchange Difference during the year	**(65.78)**	(70.71)
		(321.07)	(255.29)
	e. Share of Joint Venture		
	Share of Profit in Joint Venture	**418.24**	418.24
		418.24	418.24
	f. Cash Flow Hedge Reserve		
	At the commencement of the year	**(7.24)**	(20.28)
	Add : Net gain / (loss) recognised on Cash Flow Hedge	**(84.91)**	13.04
		(92.15)	(7.24)
	Total Other Equity	**92,625.78**	83,365.36

Nature and purpose of reserves

1) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

2) General reserve

General reserve forms part of the retained earnings and is permitted to be distributed to shareholders as part of dividend.

3) Cash flow hedge reserve

For hedging interest rate risk, the Group uses interest rate swaps which is also designated as cash flow hedges. To the extent these hedges are effective; the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amount recognised in the cash flow hedging reserve is reclassified to profit or loss when the hedged item affects profit or loss.

(₹ in lakhs)

		As at 31st March 2019	As at 31st March 2019
17	**Borrowings - Non-current Financial Liabilities**		
	Term Loan from banks		
	Foreign Currency Loan	**4,441.81**	-
	Total	**4,441.81**	-
	* Current maturities of Long Term Borrowings disclosed under Other Current Liabilities: Refer Note 24)	*744.81	
18	**Other Non-Current Financial Liabilities**		
	Security Deposit Received	**5,333.28**	4,996.49
	Total	**5,333.28**	4,996.49
19	**Non-Current Provisions**		
	Provision For Employee Benefits		
	(a) Gratuity (Refer Note - 49)	**196.32**	183.59
	(b) Compansated Absences	**538.73**	536.65
	Total	**735.05**	720.24
20	**Deferred Tax Liabilities (Net) (Refer Note - 34)**		
	Major components of deferred tax assets and liabilities arising on account of timing differences are:		
	Deferred Tax Liabilities :		
	Depreciation	**2,661.38**	1,878.26
	Allowances under Income Tax Act	**210.65**	316.69
		2,872.03	2,194.95
	Deferred Tax Assets:		
	Disallowances under Income Tax Act	**535.83**	673.71
	Provision for Doubtful Debts	**294.14**	225.40
		829.97	899.11
	Deferred Tax Liabilities (Net)	**2,042.06**	1,295.84
21	**Other Non-Current Liabilities**		
	Rent Equalisation	**377.02**	348.37
	Total	**377.02**	348.37
22	**Borrowings - Current Financial Liabilities**		
	Secured Loans (for securities and terms of prepayment (Refer Note - 39)		
	Working Capital Loan from Banks		
	Rupee Loans	**701.49**	9,316.61
	Total	**701.49**	9,316.61

		As at 31st March 2019	As at 31st March 2018
			(₹ in lakhs)
23	**Trade Payables**		
	(a) Total Outstanding dues of micro enterprises and small enterprises	**-**	-
	(b) Total Outstanding dues of creditors other than micro enterprises and small enterprises (Refer note 43)	**13,378.72**	17,105.60
	Total	**13,378.72**	17,105.60
24	**Other Current Financial Liabilities**		
	(a) Current maturities of long-term debt		
	(i) Foreign Currency Loan (Refer Note 39)	**744.81**	-
	(b) Interest accrued but not due on borrowings	**31.57**	22.21
	(c) Derivative Liability	**223.73**	13.37
	(d) Unclaimed Dividend	**42.66**	37.54
	(e) Capital Creditors	**635.75**	382.24
	(f) Employee Benefits	**1,045.18**	973.82
	Total	**2,723.70**	1,429.18
25	**Other Current Liabilities**		
	(a) Advance received from customers	**1,802.67**	1,815.28
	(b) Advance against Sale of Fixed Assets	**150.54**	-
	(c) Statutory Dues:		
	(i) Sales Tax / GST	**1,268.67**	160.30
	(ii) Excise and Service Tax	**-**	0.74
	(iii) Tax Deducted at Source	**234.09**	326.82
	(iv) Employee Benefits	**104.17**	100.67
	(d) Other Payables	**136.54**	171.05
	Total	**3,696.68**	2,574.86
26	**Current Provisions**		
	(a) Provision For Employee Benefits (Refer Note 49)		
	(i) Gratuity	**-**	103.23
	(ii) Compensated Absences	**380.48**	314.98
	(b) Others Provisions		
	(i) Provision For Product Warranties (Refer Note 37)	**606.62**	552.42
	(ii) Provision for Others (Refer note 37)	**100.00**	100.00
	Total	**1,087.10**	1,070.63

(₹ in lakhs)

		Year ended 31st March, 2019	Year ended 31st March, 2018
27	**Revenue from Operations (Refer Note - 33)**		
	(a) Sale of Products (Including Excise Duty)		
	(i) Domestic	**228,787.14**	207,685.25
	(ii) Export [including Deemed Exports of ₹ 114.00 lakhs, (Previous Year: ₹ 778.31 lakhs)	**5,076.98**	6,373.11
		233,864.12	214,058.36
	(b) Sale of Services	**737.90**	766.60
	(c) Other Operating Revenue		-
	(i) Sale of Scrap	**409.12**	360.35
	(ii) Technical and Management Fees	**740.04**	573.30
	(iii) Others	**485.19**	325.17
	Revenue from Operations	**236,236.37**	216,083.78

In accordance with Ind AS 18 on “Revenue” and Schedule III to the Companies Act, 2013, Sales for the period 1 April to 30 June 2017 were reported gross of Excise Duty and net of Value Added Tax (VAT)/ Sales Tax. Excise Duty was reported as a separate expense line item. Consequent to the introduction of Goods and Services Tax (GST) with effect from 1 July 2017, VAT/Sales Tax, Excise Duty etc. have been subsumed into GST and accordingly the same is not recognised as part of sales as per the requirements of Ind AS 115.

(₹ in lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
28 Other Income		
(a) Interest income	**537.19**	310.15
(b) Keyman Insurance Policy Refund	**662.00**	-
(c) Foreign Exchange Gain (net)	**58.76**	1.43
(d) Profit on Fixed Assets sold/discarded (net)	**-**	28.21
(c) Others	**41.46**	28.83
Total	**1,299.41**	368.62
29 Changes in Inventories of Finished Goods, Traded Goods and Work-in-Progress.		
Opening Stock		
Work-in-Progress	**3,754.78**	3,167.35
Finished Goods	**9,291.79**	9,492.87
Stock in Trade	**13,353.78**	12,995.12
	26,400.35	25,655.34
Closing Stock		
Work-in-Progress	**3,387.87**	3,754.78
Finished Goods	**10,357.59**	9,291.79
Stock in Trade	**16,521.57**	13,353.78
	30,267.03	26,400.35
Total	**(3,866.68)**	(745.01)
30 Employee Benefits Expense		
(a) Salary, Wages and Bonus (Net)	**16,617.69**	15,439.82
(b) Contribution to Provident and Other funds (Refer Note 49)	**691.85**	644.35
(c) Workmen and Staff Welfare Expenses	**1,356.71**	1,223.57
Total	**18,666.25**	17,307.74
31 Finance Costs		
(a) Interest on Financial Liabilities	**1,507.81**	1,204.67
(b) Other Borrowing Costs	**75.95**	49.21
Total	**1,583.76**	1,253.88
32 Other Expenses		
(a) Stores, Spare Parts Consumed	**2,025.37**	2,059.44
(b) Power and Fuel	**4,922.54**	4,459.23
(c) Repairs :		
(i) Building	**191.37**	432.85
(ii) Machinery	**346.45**	330.21
(iii) Others	**1,229.08**	954.22
(d) Labour Charges	**12,263.39**	9,664.56
(e) Rent (Refer note 42)	**5,547.41**	5,079.71
(f) Rates and Taxes	**503.79**	652.29
(g) Insurance	**268.39**	249.31
(h) Postage and Telephone Expenses	**637.78**	673.09
(i) Loss on Sale of Fixed Assets/ Discarded (Net)	**42.96**	-
(j) Packing Material Consumed	**2,506.85**	2,151.23

(₹ in lakhs)

32 Other Expenses (Contd...)	Year ended 31st March, 2019	Year ended 31st March, 2018
(K) Travelling and Conveyance	**1,836.86**	1,831.89
(l) Commission	**1,119.18**	926.27
(m) Advertisements and Sales Promotion Expense	**2,797.81**	4,090.75
(n) Computer Expenses	**814.44**	781.41
(o) Transportation and Forwarding Charges	**15,520.90**	13,447.32
(p) Security and Guards	**513.63**	454.14
(q) HouseKeeping Expenses	**396.24**	317.26
(r) Legal and Professional fees	**1,467.06**	935.19
(s) vehicle Expenses	**695.05**	743.89
(t) Printing and Stationery	**182.61**	179.94
(u) Board Meeting Fees	**28.00**	21.00
(v) Bad Debts written off / (back)	**123.98**	333.05
(w) Provision for Doubtful Debts and Advances	**199.28**	(29.28)
(x) Corporate Social Responsibility Expenses (Refer note 45)	**37.45**	3.02
(y) Foreign Exchange Loss (Net)	**-**	141.51
(z) Bank Charges	**249.41**	301.12
(aa) Miscellaneous Expenses	**560.27**	613.84
Total	**57,027.55**	51,798.46

33 Revenue from Contract from Customer

A. Revenue Streams

The Group generates revenue primarily from the sale of Plastic articles and Life style Furniture , Furnishings and Acessories to its customers . Other sources of revenue include Sale of services and Technical management fees.

(₹ in lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Revenue from Contracts with Customers		
Sale of Goods	**233,864.12**	214,058.36
Sale of Services	**737.90**	766.60
Other Operating revenue		
Sale of Scrap	**409.12**	360.35
Technical and Management Fees	**740.04**	573.30
Others	**485.19**	325.17
Total revenue	**236,236.37**	216,083.78

B. Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition.

(₹ in lakhs)

For the year ended 31 March	Product Category				Total	
	Plastics		Life style Furniture, Furnishings and Acessories			
	31st March, 2019	31st March, 2018	**31st March, 2019**	31st March, 2018	**31st March, 2019**	31st March, 2018
Primary geographical markets						
Domestic Sales	**210,070.39**	188,232.69	**21,089.00**	21,477.98	**231,159.39**	209,710.67
Export sales	**5,076.98**	6,373.11	**-**	-	**5,076.98**	7,260.18
	215,147.37	194,605.80	**21,089.00**	21,477.98	**236,236.37**	216,083.78

For the year ended 31 March	Product Category				Total	
	Plastics		Life style Furniture, Furnishings and Acessories			
	31st March, 2019	31st March, 2018	**31st March, 2019**	31st March, 2018	**31st March, 2019**	31st March, 2018
Revenue types						
Sale of products	**212,789.14**	192,592.63	**21,074.98**	21,465.73	**233,864.12**	214,058.36
Sale of Services	**737.90**	766.60	**-**	-	**737.90**	766.60
Sale of Scrap	**395.11**	348.10	**14.01**	12.25	**409.12**	360.35
Technical and Management Fees	**740.04**	573.30	**-**	-	**740.04**	573.30
Others	**485.18**	325.17	**0.01**	-	**485.19**	325.17
	215,147.37	194,605.80	**21,089.00**	21,477.98	**236,236.37**	216,083.78
Timing of reneue recognition						
Products Transferred at a point in time	**215,147.36**	194,605.80	**21,089.00**	21,477.98	**236,236.37**	216,083.78
Revenue from contracts with Customers	**215,147.36**	194,605.80	**21,089.00**	21,477.98	**236,236.37**	216,083.78
External revenue as reported	**215,147.36**	194,605.80	**21,089.00**	21,477.98	**236,236.37**	216,083.78

C. Reconcilliation of Revenue from operation with Contract price

(₹ in lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Contract Price	**260,730.38**	239,247.63
Less: Sales Returns	**3,359.44**	3,071.08
Schemes and Discounts	**21,134.57**	20,092.77
Total Revenue from Operation	**236,236.37**	216,083.78

D. Contract balances

The following table provides information about receivables from contracts with customers

	Note	**31st March, 2019**	31st March, 2018
Receivables, which are included in 'trade receivables'	9	**30,902.31**	34,009.36

34. Tax expense

(a) Amounts recognised in profit and loss

(₹ in lakhs)

	Year ended 31st March 2018	Year ended 31st March 2017
Current income tax	**4,858.66**	5,731.67
Adjustment in respect of current / deferred tax of previous year	**(804.86)**	18.44
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	**771.97**	545.28
Tax expense for the year	**4,825.77**	6,295.39
Effective tax rate for the year	**29.72%**	34.95%

(b) Amounts recognised in other comprehensive income

(₹ in lakhs)

Particulars	**Year ended 31st March 2019**			Year ended 31st March 2018		
	Before tax	**Tax (expense) benefit**	**Net of tax**	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit liability (asset)	**(58.15)**	**20.12**	**(38.03)**	141.02	(48.80)	92.22
Items that will be reclassified to profit or loss						

Effective portion of Gain/(Loss) on hedgeing instrument in a cash flow hedge	**(141.13)**	**56.22**	**(84.91)**	19.94	(6.90)	13.04
Share of Comprehensive Income Jointly Controlled entity	**(5.09)**	**-**	**(5.09)**	4.13	-	4.13
	(204.37)	**76.34**	**(128.03)**	165.09	(55.70)	109.39

(C) Reconciliation of effective tax rate

	Year ended 31st March 2019	Year ended 31st March 2018
Profit before tax (₹ in lakhs)	**15,889.28**	18,010.49
Tax using the Company's domestic tax rate	**34.94%**	34.61%
Tax effect of:		
Tax impact of income not subject to tax	**(0.29%)**	(0.06%)
Tax effects of amounts which are not deductible for taxable income	**0.89%**	0.59%
Adjustment for current tax of prior period	**-**	-
Deferred tax assets not recognized because realization is not probable	**0.01%**	
Effect of different tax rate	**(0.42%)**	(0.43%)
Tax deduction Under Chapter VI	**(0.43%)**	(0.37%)
Adjustment for current tax of prior period	**(5.07%)**	(0.11%)
Others	**0.08%**	0.10%
	29.72%	34.38%

The applicable Indian corporate statutory rate for the year ended 31 March 2019 and 31 March 2018 is 34.94% and 34.61% respectively.

34 Tax expense (continued)

(d) Movement in deferred tax balances

(₹ in lakhs)

					31st March, 2019		
	Net balance 1st April, 2018	**Recognised in profit or loss**	**Recognised in OCI "**	**Charge in respect of earlier years**	**Net**	**Deferred tax asset**	**Deferred tax liability**
Deferred tax asset / (liabilities)							
Property, plant and equipment	**(1,878.26)**	**(756.63)**	**-**	**(26.49)**	**(2,661.38)**	**-**	**(2,661.38)**
Employee benefits	**451.25**	**(57.11)**	**20.12**	**(10.17)**	**404.09**	**404.09**	**-**
Rent equalisation	**95.06**	**36.69**	**-**	**-**	**131.75**	**131.75**	**-**
Provision for Doubtful Debts / Advances	**225.40**	**12.51**	**56.22**	**-**	**294.13**	**294.13**	**-**
Other provisions	**(189.29)**	**(7.43)**	**-**	**(13.93)**	**(210.65)**	**-**	**(210.65)**
Tax assets (Liabilities)	**(1,295.84)**	**(771.97)**	**76.34**	**(50.59)**	**(2,042.06)**	**829.97**	**(2,872.03)**
Set off tax							
Net tax assets / (liabilities)	**(1,295.84)**	**(771.97)**	**76.34**	**(50.59)**	**(2,042.06)**	**829.97**	**(2,872.03)**

(e) Movement in deferred tax balances

					31st March, 2018		
	Net balance 1st April, 2017	**Recognized in profit or loss**	**Recognized in OCI**	**Charge in respect of earlier years**	**Net**	**Deferred tax asset**	**Deferred tax liability**
Deferred tax asset / (liabilities)							
Property, plant and equipment	(1,455.12)	(419.83)		(3.31)	(1,878.26)	-	(1,878.26)
Employee benefits	505.81	55.24	(48.80)	(61.00)	451.25	451.25	-
Rent equilasation	95.06	-			95.06	95.06	-
Provision for Doubtful Debts / Advances	231.62	(6.22)			225.40	225.40	-
Other provisions	(28.23)	(174.38)	(6.90)	20.22	(189.29)	127.40	(316.69)
Tax assets (Liabilities)	(650.86)	(545.18)	(55.70)	(44.09)	(1,295.84)	899.11	(2,194.95)
Set off tax							
Net tax assets / (liabilities)	(650.86)	(545.18)	(55.70)	(44.09)	(1,295.84)	899.11	(2,194.95)

1. The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.
2. Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.
3. As on 31st March 2019, the tax liability with respect to the dividends proposed is ₹ 237.47 lakhs (Previous year: ₹ 256.93 lakhs).

35 Significant accounting policies

a) Basis of preparation of consolidated Financial Statements:

The Consolidated Financial Statements comprise the financial statements of Nilkamal Limited ("the holding Company") and its subsidiaries ("the holding Company and its subsidiaries together referred as the Group") and the group's interest in joint ventures. Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the section 133 of the Companies Act 2013 ("the Act"), and read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015 and Companies (Indian Accounting Standards) Rules 2016. The financial statements were authorised for issue by the Holding Company's Board of Directors on 11th May 2019.

All the assets and liabilities have been classified as current or non current as per the Group's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Group has ascertained the operating cycle to be 12 months.

b) Principles of Consolidation:

The consolidated financial statements comprise the financial statements of Nilkamal Limited ("the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred as "the Group") and the group's interest in joint ventures.

Subsidiaries

Subsidiaries are all entities (including special purpose entities) that are controlled by the Company. Control exists when the Company is exposed to, or has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. The financial statements of subsidiaries are included in these consolidated financial statements from the date that control commences until the date that control ceases. The financial statements of the Company and its subsidiaries have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances as mentioned in those policies.

Upon loss of control, the Group derecognizes the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognized in the Consolidated Statement of Profit and Loss. If the Company retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity accounted investee depending on the level of influence retained.

Joint ventures (equity accounted investees)

Joint arrangements are those arrangements over which the Company has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. Investments in jointly controlled entities are accounted for using the equity method (equity accounted investees) and are initially recognized at cost. The carrying value of the Company's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. The Company does not consolidate entities where the non-controlling interest ("NCI") holders have certain significant participating rights that provide for effective involvement in significant decisions in the ordinary course of business of such entities. Investments in such entities are accounted by the equity method of accounting. When the Company's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to zero and the recognition of further losses is discontinued except to the extent that the Company has an obligation or has made payments on behalf of the investee.

Transactions eliminated on consolidation:

Intra-Group balances and transactions, and any unrealized income and expenses arising from intra-Group transactions, are eliminated in full while preparing these consolidated financial statements. Unrealized gains or losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Company's interest in the investee.

The financial statements of the subsidiaries and the joint ventures used for the purpose of consolidation are drawn upto the same reporting date as that of the Holding Company, i.e. 31 March 2019.

The Subsidiary Companies and Joint ventures considered in the consolidated financial statements are:

Name of the Company	Country of Incorporation	% of Ownership held as at 31st March, 2019	% of Ownership held as at 31st March, 2018
Subsidiaries:			
Nilkamal Eswaran Plastics Private Limited	Sri Lanka	76%	76%
Nilkamal Eswaran Marketing Private Limited	Sri Lanka	76%	76%
Nilkamal Crates and Bins FZE	Ajman, UAE,	100%	100%
Nilkamal Foundation *	India	98%	98%
Joint Ventures:			
Nilkamal Bito Storage System Private Limited	India	50%	50%
Cambro Nilkamal Private Limited	India	50%	50%

"Non-controlling interest" represents the amount of equity attributable to Non-controlling shareholders at the date on which investment in the subsidiary is made and its share of movements in the equity since the date the parent subsidiary relationship comes into existence.

* These companies are private companies limited by shares formed under section 8 of the Companies Act, 2013. No dividend can be proposed and paid to the shareholder by these companies. In the event of winding up or dissolution of these companies, after the satisfaction of all its debts and liabilities, any property whatsoever shall be given or transferred to some other institution(s) having object similar to the objects of these companies, to be determined by the members of this company at or before the time of dissolution or in default thereof by the High Court. The carrying amount of the assets and liabilities included within the consolidated financial statements to which these restrictions apply is ₹ 380.68 lakhs (previous year ₹ 295.55 lakhs) and ₹ 100.46 lakhs (previous year ₹ 100.06 lakhs).

Functional and presentation currency

These consolidated financial statements are presented in Indian rupees in lakhs, which is the Holding Company's functional currency. All amounts have been rounded off to two decimal places to the nearest lakh, unless otherwise indicated.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

Historical cost convention

The Consolidated financial statements have been prepared on a historical cost basis, except for the following:

- certain consolidated financial assets and liabilities (including derivative instrument) that are measured at fair value;
- defined benefit plans – plan assets measured at fair value

c) Use of Estimates and Judgements:

The preparation of consolidated financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the consolidated balance sheet and consolidated statement of profit and loss. The actual amounts realised may differ from these estimates.

Estimates and assumptions are required in particular for:

- **Determination of the estimated useful lives of Property, plant and equipment**

  Useful lives of Property plant and equipment are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II for plant and machinery and dies and moulds, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

- **Recognition and measurement of defined benefit obligations**

  The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy.

The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

- **Recognition of deferred tax assets and liabilities**

  Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

- **Recognition and measurement of other provisions**

  The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the amount included in other provisions.

- **Discounting of long-term financial assets / liabilities**

  All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities/assets which are required to subsequently be measured at amortised cost, interest is accrued using the effective interest method.

- **Determining whether an arrangement contains a lease**

  At inception of an arrangement, the Group determines whether the arrangement is or contains a lease.

  At inception or on reassessment of an arrangement that contains a lease, the Group separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Group's incremental borrowing rate. And in case of operating lease, treat all payments under the arrangement as lease payments.

- **Segment reporting**

  Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating Decision Maker. The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole.

- **Fair value of financial instruments**

  Derivatives are carried at fair value. Derivatives includes foreign currency forward contracts and interest rate swaps. Fair value of foreign currency forward contracts are determined using the fair value reports provided by respective merchant bankers. Fair value of interest rate swaps are determined with respect to current market rate of interest.

Measurement of fair values

The Group's accounting policies and disclosures require the measurement of fair values for financial instruments.

The Group has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- *Level 1:* quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2:* inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- *Level 3:* inputs for the asset or liability that are not based on observable market data (unobservable inputs).
- If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.
- The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

d) Standards issued but not yet effective

On March 30, 2019, the Ministry of Corporate Affairs (MCA) notified Ind AS 116, 'Leases' as part of the Companies (Indian Accounting Standards (Ind AS)) Amendment Rules, 2019. Ind AS 116 - Leases replaces existing standard on leases i.e. Ind AS 17, Leases with effect from accounting periods beginning on or after 1st April 2019.

It eliminates the classification of leases as either finance leases or operating leases for a lessee as required by Ind AS 17. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value.

A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Requirements with regard to lessor accounting are substantially similar to accounting requirements contained in Ind AS 17. Accordingly, a lessor will continue to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

The Group's operating leases primarily relate to premises, vehicles, IT equipments because all these assets satisfy the principle of identification and fixed minimum lease payments.

The Group proposes to adopt the above standard using modified retrospective approach, recognising the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and equivalent amount of right to use.

Based on the information currently available, the Group estimates that it will recognise a right to use asset of approximately ₹ 13,422.42 Lakhs and a corresponding lease liability of approx. ₹ 13,422.42 lakhs. There will be consequent reclassification in the cash flow categories in the statement of cash flows.

e) Property, plant and equipment:

i. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of property, plant and equipment comprises:

a) Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

b) Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

c) The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in consolidated profit or loss.

Items such as spare parts, stand-by equipments and servicing that meets the definition of property, plant and equipment are capitalised at cost and depreciated over the useful life

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

f) Depreciation

- Depreciation on Property, plant and equipment is provided on the straight-line method over the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act, 2013 except for plant and machinery and Dies and moulds which is based on technical evaluation. Management believes that these useful lives best represent the period over which management expects to use these assets. Hence the useful life for plant and machinery of 10 years and for Dies and Moulds of 6 years for continuous running is different from the useful life as prescribed under Part C of Schedule II of the Companies Act 2013;
- Useful life of property plant and equipment are reviewed at each balance sheet date and adjusted prospectively, if appropriate
- Cost of leasehold land is amortised over the period of lease;
- Depreciation on addition to assets or on sale /discardment of assets, is calculated pro rata from the date of such addition or upto the date of such sale/discardment, as the case may be;
- Assets like mobile phones, telephone instruments, etc. are fully depreciated in the year of purchase / acquisition;

Individual assets except assets given on lease acquired for less than 15,000/- are depreciated entirely in the year of acquisition.

g) Intangible Fixed Assets

Intangible Fixed assets, which are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

h) Amortisation

Software (Intangible assets) are amortised over their estimated useful lives on a straight line basis but not exceeding the period of 36 months.

Useful life of Intangible assets are reviewed at each balance sheet date and adjusted prospectively, if appropriate

i) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts and, interest rate swaps and currency options; and embedded derivatives in the host contract.

Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

Derivatives are currently recognized at fair value on the date on which the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

Cash Flow Hedges

The Group uses derivative financial instrument such as forward contracts and cross currency interest rate swaps to hedge its foreign currency risks and interest rate risks. Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the Statement of Profit and Loss, except for the effective portion of cash flow hedge, which is recognised in Other Comprehensive Income and accumulated in Cash Flow

Hedge Reserve included in the Reserves and Surplus while any ineffective portion is recognised immediately in the Statement of Profit and Loss.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability.
- Cash flow hedges when hedging exposure to variability in cash flows that is either attributable to particular risk associated with a recognised asset or liability.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedge accounting is discontinued from the last testing date when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Cumulative gain or loss on such hedging instrument recognised in Cash Flow Hedge Reserve is retained there until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in Cash Flow Hedge Reserve is transferred to consolidated statement of Profit and Loss for the year.

- **Financial assets**

Classification

The Group shall classify financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 47.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

b) Trade receivables - The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows.

- **Financial liabilities**

Classification

The Group classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

j) Valuation of Inventories:

Inventories of Raw Materials, Packing Materials, Stores and Spares, Work-in Progress, Traded goods and Finished goods are valued 'at cost and net realisable value' whichever is lower. Cost comprises all cost of purchase, appropriate direct production overheads and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used is 'Weighted Average Cost'. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the Group. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Raw materials and other supplies held for use in the production of inventories are not written down below cost except in case where material prices have declined and it is estimated that the cost of the finished product will exceed its net realisable value.

k) Employee Benefits:

All employee benefits payable within twelve months of rendering the service are recognised in the period in which the employee renders the related service.

Contribution to Defined Contribution Plans such as Provident Fund, Employees' State Insurance Corporation, etc., are charged to the consolidated Statement of Profit and Loss as incurred.

Defined Benefit Plans – The present value of the obligation under such plans, is determined based on an actuarial valuation by an independent actuary at the end of each year, using the Projected Unit Credit Method. In the case of gratuity, which is funded, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

Remeasurement of net defined benefit liability, which comprises actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any excluding interest), are recognized immediately in other comprehensive income.

Other Long Term Employee Benefits

Compensated Absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the consolidated Statement of Profit and Loss in the year in which they arise.

l) Foreign Exchange Transactions:

Transactions in foreign currencies are translated into the respective functional currencies of the Group at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated using the exchange rate at the date of the transactions.

Translation of financial statements of foreign entities

On consolidation, the assets and liabilities of foreign operations are translated into (Indian Rupees) at the exchange rate prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in Foreign Currency Translation Reserve. On disposal of a foreign operation, the component of Foreign Currency Translation Reserve relating to that particular foreign operation is reclassified to Consolidated Statement of Profit and Loss.

m) Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

n) Revenue Recognition:

The Company derives revenues primarily from sale of manufactured goods, traded goods and related services.

Effective April 1, 2018, the Company has applied Ind AS 115: Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Revenue is recognised on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue is measured based on transaction price which is fair value of the consideration received or receivable, after deduction of any discounts, sales incentives / schemes and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and sales incentives / schemes. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

The Company recognises provision for sales return, based on the historical results, measured on net basis of the margin of the sale. An estimate is made of goods that will be returned and a liability is recognised for this amount using a best estimate based on accumulated experience.

Dividend income is recognized in statement of profit and loss only when the right to receive payment is established.

Export incentives receivable under various schemes are accounted on accrual basis.

Interest income is recognized using the effective interest rate method.

o) Leases

i. **Lease payments**

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

ii. **Lease assets**

Assets held by the Group under leases that transfer to the Group substantially all of the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases are classified as operating leases and are not recognised in the Group's statement of financial position.

p) Impairment of non-financial assets

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the consolidated Statement of Profit and Loss, to the extent the amount was previously charged to the consolidated Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

q) Cash and cash equivalents

Cash and cash equivalent in the consolidated balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

r) Taxation:

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

i. **Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if, the Group:

a) has a legally enforceable right to set off the recognised amounts; and

b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii. **Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and associates to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax asset / liabilities in respect of on temporary differences which originate and reverse during the tax holiday period are not recognised. Deferred tax assets / liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognised.

s) Government grants

Grants received from the government are recognized at their fair value where there is reasonable assurance that the grant will be received and the Group will comply with the conditions.

Government grants related to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and netted off with the expense in the consolidated statement of profit and loss.

Government grants related to purchase of property plant and equipment are recognised as deferred income and are credited to profit or loss on a straight line basis over expected life of the related asset and presented within other income.

t) Provisions, Contingent Assets and Contingent Liabilities:

Provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

A contingent asset is not recognised but disclosed in the consolidated financial statements where an inflow of economic benefit is probable.

36. Contingent Liabilities and commitments to the extent not provided for in respect of:

a) Contingent liabilities :-

1)

(₹ in lakhs)

Sr.no.	Particulars	**31st March, 2019**	31st March, 2018
i)	Excise and Service Tax matters	**550.88**	525.13
ii)	Sales Tax matters *	**1,114.03**	1,227.32
iii)	On account of Cross Subsidy Surcharge on electricity	**9.38**	9.38

* Includes ₹ 972.61 lakhs (Previous year ₹ 972.61 lakhs) paid in full against the disputed Sales Tax liability under the Kerala General Sales Tax Act, 1963. The matter is pending for hearing in the Honorable Supreme Court of India.

Note: The Excise and Service Tax and Sales Tax are being contested by the Group at various levels. The Group has been legally advised that it has a good case and the demands by the authorities are not tenable. Future cash flows in respect of these are determinable only on receipt of judgements / decisions pending with various forums/ authorities.

2) The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal.

In view of the management, based on legal advice obtained, the liability for the period from the date of the SC order to 31 March 2019 is not significant and has not been given effect to in the books of account.

b) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 1,894.31 lakhs (Previous year ₹ 1,356.52 lakhs).

37. Provision for warranty and other provisions:

(₹ in lakhs)

	31st March, 2019		31st March, 2018	
	Warranty Provision	Other Provisions	Warranty Provision	Other Provisions
Opening Balance	**552.43**	**100.00**	564.86	75.00
Additions	**559.45**	**00.00**	484.42	35.00
Utilisations / Reversals	**505.26**	**00.00**	496.85	10.00
Closing Balance	**606.62**	**100.00**	552.43	100.00

Provision is estimated for expected warranty claim in respect of products sold during the year based on past experience regarding defective claim of products and cost of rectification or replacement. It is expected that most of this cost will be incurred over next 12 months which is as per warranty terms.

Other provisions are provisions in respect of probable claims, the outflow of which would depend on the cessation of the respective events.

38. Share capital

a) **Rights, preferences and restrictions attached to Equity Shares:** The Company has only one class of equity shares having a value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

b) **Details of equity shares held by shareholders holding more than 5% of the aggregate equity shares in the Company:**

Name of the Shareholder	As at 31st March, 2019		As at 31st March, 2018	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Vamanrai V. Parekh	**100,000**	**0.67%**	1,033,588	6.93%
Hiten V. Parekh	**1,937,258**	**12.98%**	1,474,105	9.88%
Manish V. Parekh	**1,551,563**	**10.40%**	1,071,658	7.18%
Nayan S. Parekh	**2,234,704**	**14.98%**	1,750,277	11.73%
Nilkamal Builders Private Limited	**1,464,000**	**9.81%**	1,464,000	9.81%
Heirloom Finance Private Limited	**912,000**	**6.11%**	912,000	6.11%

c) **Reconciliation of number of equity shares outstanding as at the beginning and closing of the year**

Particulars	2018-19		2017-18	
	Number	(₹ in lakhs)	Number	(₹ in lakhs)
Shares outstanding at the beginning of the year	**14,922,525**	**1,492.25**	14,922,525	1,492.25
Shares issued during the year	**-**	**-**	-	-
Shares bought back during the year	**-**	**-**	-	-
Shares outstanding at the end of the year	**14,922,525**	**1,492.25**	14,922,525	1,492.25

39. Borrowings:

(A) Secured loans:

Working Capital loans :

Working capital facilities of ₹ 685.73 Lakhs (Previous year ₹ 9,290.75 Lakhs) from Banks are secured on first pari passu basis by way of hypothecation of current assets (inventories and trade receivables) of the Company, second pari passu charge by way of equitable mortgage on the Company's immoveable property. Working Capital Loans repayable on Demand having Interest Rate from 9.25 % to 9.60 % p.a. (Previous Year 8.65% p.a to 9.65% p.a).

Subsidiary Companies

Working Capital loans:

Working capital facilities of ₹ 13.53 lakhs (Previous year ₹ 25.86 lakhs) from Banks are secured on first pari passu basis by way of hypothecation of current assets of the Company, second pari passu charge by way of equitable mortgage on the Company's immovable property. Working Capital Loans repayable on Demand having Interest Rate 14.75% (Previous Year 11% p.a to 13.5% p.a) .

Lease loans of ₹ 2.23 lakhs (Previous year ₹ 8.86) is secured against the company specific assets.

b) Foreign Currency Term Loans:

Foreign currency term loans of ₹ 5,186.62 Lakhs (Previous year –₹ Nil) from the Banks are secured on first pari passu basis by way of equitable mortgage created on Company's moveable properties. These loans are repayable in equal quarterly installment, last installments due on March 2023 and February 2024 as per repayment schedules, having interest rate from 3 month LIBOR +1.05% to 1.38% p.a. which are reset periodically.

(B) Commercial Paper balance outstanding at year end ₹ Nil (Previous Year ₹ Nil). Maximum balance outstanding during the year ₹ 5,000 Lakhs (Previous Year ₹ 5,000 Lakhs).

40 Cross Currency Interest Rate Swap:

Derivative Instruments outstanding at the Balance Sheet date:

(a) Forward Contracts against imports:

Forward contracts to buy USD 30 lakhs and Euro 15 lakhs (Previous Year USD 46.22 lakhs) amounting to ₹ 3,328.92 lakhs (Previous Year ₹ 3,019.04 lakhs).

(b) Option Contracts against imports:

Option Contract to buy Euro 15 lakhs (Previous Year ₹ Nil) amounting to ₹ 1,170 lakhs (Previous Year ₹ Nil lakhs).

The above contracts / options have been undertaken to hedge against the foreign exchange exposures arising from transactions like import of goods.

(c) USD Floating rate/INR Floating rate cross-currency interest rate swap (CCIRS):

Outstanding USD/INR Floating rate cross-currency interest rate swap USD 75 lakhs (Previous year ₹ Nil) amounting to ₹ 5,186.63 (Previous Year ₹ Nil).

The above contracts have been undertaken to hedge against the foreign exchange exposures arising from foreign currency loan and interest there on.

41. Related Party Disclosures:

Names of related parties and description of relationship

I	Joint Ventures	Nilkamal Bito Storage Systems Private Limited. Cambro Nilkamal Private Limited.
II	Key Management Personnel	Mr. Vamanrai V. Parekh, Chairman Mr. Sharad V. Parekh, Managing Director Mr. Hiten V. Parekh, Joint Managing Director Mr. Manish V. Parekh, President and Executive Director – Furniture Mr. Nayan S. Parekh, President and Executive Director – Material Handling **Independent Director**: Mr. K. R. Ramamoorthy Mr. Mahendra V. Doshi Mr. Mufazzal S. Federal Mr. S. K. Palekar Ms. Hiroo Mirchandani Mr. Krishnamurthi Venkataraman
III	Relatives of Key Management Personnel	Mr. Mihir H. Parekh Ms. Priyanka H. Gandhi
IV	Enterprise owned or significantly influenced by key Management Personnel or their relatives, where transactions have taken place	Nilkamal Crates & Containers M. Tech Industries Raga Plast Private Limited

41. Related Party Disclosures (Continued):

(₹ in lakhs)

	Joint Venture	**Key Management Personnel**	**Relatives of Key Management Personnel**	**Enterprises owned or significantly influenced by key management personnel or their relatives**	**Total**	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Total
	2018-19					2017 - 18				
Sales of Finished Goods / Others	**1,809.42**	**-**	**-**	**239.47**	**2,048.89**	1040.78	-	-	33.53	1,074.31
Sales of Fixed Assets	**-**	**-**	**-**	**-**	**-**		-	-	-	-
Purchases of raw materials, intermediaries and finished goods	**546.87**	**-**	**-**	**2,463.01**	**3,009.88**	710.19	-	-	933.11	1,643.30
Paid for services and labour charges	**-**	**-**	**-**	**227.64**	**227.64**	4.69	-	-	320.13	324.82
Received for services & labour charges	**30.16**	**-**	**-**	**-**	**30.16**	39.68	-	-	-	39.68
Deputation Charges	**33.59**	**-**	**-**	**-**	**33.59**	75.27	-	-	-	75.27
Technical and Management Fees received	**873.83**	**-**	**-**	**-**	**873.83**	676.65	-	-	-	676.65
Dividend received	**130.80**	**-**	**-**	**-**	**130.80**	31.50	-	-	-	31.50
Purchase of fixed assets	**304.61**	**-**	**-**	**-**	**304.61**	587.59	-	-	-	587.59
Rent paid	**-**	**-**	**-**	**301.20**	**301.20**	-	-	-	285.07	285.07
Remuneration to Directors	**-**	**1,468.65**	**-**	**-**	**1,468.65**	-	1,434.29	-	-	1,434.29
Salary Paid	**-**	**-**	**40.69**	**-**	**40.69**	-	-	38.61	-	38.61
Corporate Social Responsibilty (CSR) Expencses	**36.20**	**-**	**-**	**-**	**36.20**	22.40	-	-	-	22.40
Board & Audit Committee fees	**-**	**28.00**	**-**	**-**	**28.00**	-	20.90	-	-	20.90
Reimbursement of Expenses	**81.75**	**-**	**-**	**76.88**	**158.63**	70.96	-	-	91.16	162.12
Rent Received	**23.88**	**-**	**-**	**-**	**23.88**	-	-	-	-	-
Balances Outstanding at the year end:										
Deposits Receivable	**-**	**-**	**-**	**720.00**	**720.00**	-	-	-	720.00	720.00
Other Receivables	**525.72**	**-**	**-**	**131.72**	**657.44**	574.97	-	-	9.77	584.74
Other Payables	**8.33**	**-**	**-**	**63.47**	**71.80**	74.57	-	-	33.20	107.77
For working capital facilities guarantee jointly given by Mr. Vaman Parekh, Mr. Sharad Parekh and Mr. Hiten Parekh	**-**	**-**	**-**	**-**	**-**	-	9,290.75	-	-	9,290.75

Note: 1. The remuneration paid to key managerial personal excludes gratuity and compensated absences as the provision is computed for the Holding Company as a whole and separate figures are not available.

2. The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured.

42. (a)(i) Operating Lease in respect of Properties taken on Lease:

The group has taken warehouses, showrooms, offices under operating leases. The agreements are executed for the period of 36 to 240 months with a non cancellable period upto 60 months. For certain properties taken on lease, contingent rent payable as a percentage of revenue from the respective stores, subject to a minimum rent.

(₹ in lakhs)

Particulars		2018-19	2017-18
A	Lease payments recognised in the Statement of Profit and Loss (includes contingent rent of ₹ 187.20 lakhs (Previous year ₹ 202.82 lakhs)	**4,535.37**	4,252.78
B	Future minimum Lease Payments under non-cancelable agreements.		
	i) Not later than one year	**1,492.09**	1,440.76
	ii) Later than one year and not later than 5 years	**3,457.78**	3,478.74
	iii) Later than 5 years	**830.88**	1,048.36

(ii) Operating Lease in respect of Other Assets taken on Lease: (₹ in lakhs)

Particulars		2018-19	2017-18
A	Lease payments recognised in the Statement of Profit and Loss	**1,012.04**	826.93
b	Future minimum Lease Payments under non cancelable agreements.		
	i) Not later than one year	**820.86**	759.25
	ii) Later than one year and not later than 5 years	**1,129.50**	1,045.21
	iii) Later than 5 years	**-**	-

The agreement is executed with a non cancelable period upto 60 months (Previous year 60 months).

(b) Assets given on Operating Lease:

The Group has leased out some of its Material Handling equipments. The lease term is in the range of 36-60 months. There is no escalation or renewal clause in the lease agreements and sub-letting is not permitted. Rent income during the year ₹ 7.28 lakhs. (Previous Year ₹ 8.92 lakhs). The carrying amounts of equipment's given on operating leases and depreciation thereon for the period are:

(₹ in lakhs)

	Particulars	2017-18	2016-17
i)	Gross Carrying Amount	**20.96**	61.55
ii)	Depreciation for the Year	**3.81**	8.01
iii)	Accumulated Depreciation	**7.90**	24.03
	The Total future Minimum rentals receivable at the Balance Sheet Date Is as Under		
i)	For a period not later than one year	**6.23**	1.08
ii)	For a period more than one year but not later than 5 years	**-**	-
iii)	For a period later than 5 years	**-**	-

43. Dues to micro and small suppliers:

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, there are no outstanding dues to the Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006.44. Disclosure of Specified Bank Notes :

(₹ in lakhs)

Particulars	31st March ,2019	31st March ,2018
Principal amount remaining unpaid to any supplier as at the year end Interest due thereon	-	-
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-

44. Subsequent Events:

There are no significant subsequent events that would require adjustments or disclosure in the consolidated financial statement as on the balance sheet date.

45. Corporate Social Responsibility

As required by Section 135 of Companies Act, 2013 and rules therein, a Corporate social responsibility committee has been formed by the Holding Company. The Group has spent the following amount during the year towards corporate social responsibility (CSR) for activities listed under schedule VII of the Companies Act, 2013

(a) Gross amount required to be spent by the Company during the year 2018-19 ₹ 335.81 lakhs (Previous year ₹258.74 lakhs).

(b) Amount spent during the year on:

Particulars	**2018-19** (₹ in lakhs)	2017-18 (₹ in lakhs)
(i) Construction/ acquisition of any asset	**-**	-
(ii) On purpose other than (i) above	*** 336.05**	* 259.02

*Amount of ₹ 298.60 lakhs (Previous Year ₹ 256.00 lakhs) paid to Nilkamal Foundation for CSR activities which has been eliminated on Consolidation.

46. Proposed Dividend:

The Board of Directors at its meeting held on 11th May, 2019 have recommended a payment of final dividend of ₹ 9 (Rupees nine only) per equity share of face value of ₹ 10 each for the financial year ended 31st March, 2019. The same amounts to ₹ 1,343.03 lakhs excluding dividend distribution tax of ₹ 237.47 lakhs same is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognised as a liability

47. Financial instruments – Fair values and risk management

A. Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in lakhs)

	Carrying amount				Fair value			
31st March, 2019	**FVTPL**	**FVTOCI**	**Amotised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets								
Non Current								
Unquoted Equity Shares *	42.82	-	0.32	43.14	-	-	-	-
Loans to Employees	-	-	364.76	364.76	-	-	-	-
Security Deposits	-	-	2,137.28	2,137.28	-	2,137.28		2,137.28
Other financial assets	-	-	110.57	110.57	-	-	-	-
Trade receivables								
Current	-	-	30,902.31	30,902.31	-	-	-	-
Cash and cash equivalents	-	-	1,316.65	1,316.65	-	-	-	-
Current Investments	96.16	-	-	96.16	-	96.16	-	96.16
Other bank balances	-	-	348.83	348.83	-	-	-	-
Loans	-	-	891.55	891.55	-	891.55		891.55
Other Current Financial Assets	-	-	1,065.98	1,065.98	-	-	-	-
	138.98	-	37,138.25	37,277.23	-	3,124.99	-	3,124.99
Financial liabilities								
Long term borrowings	-	-	4,441.81	4,441.81	-	4,441.81	-	4,441.81
Short term borrowings	-	-	701.49	701.49	-	-	-	-
Trade and other payables	-	-	13,378.72	13,378.72	-	-	-	-
Other Non-current financial liabilities	-	-	5,333.28	5,333.28	-	5,333.28	-	5,333.28
Other Current financial liabilities	-	-	2,723.70	2,723.70	-	-	-	-
	-	-	26,579.00	26,579.00	-	9,775.09	-	9,775.09

48. Financial instruments – Fair values and risk management (Contd.)

(₹ in lakhs)

31st March, 2018	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amotised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non Current								
Unquoted Equity Shares *	38.00	-	0.32	38.32	-	-	-	-
Loans to Employees	-	-	385.06	385.06	-	-	-	-
Security Deposits	-	-	1,937.21	1,937.21	-	1,937.21	-	1,937.21
Other financial assets	-	-	116.83	116.83	-	-	-	-
Current								
Trade receivables	-	-	34,009.36	34,009.36	-	-	-	-
Cash and cash equivalents	-	-	1,745.40	1,745.40	-	-	-	-
Current Investments	191.16	-	-	191.16	-	191.16	-	191.16
Other bank balances	-	-	295.67	295.67	-	-	-	-
Loans	-	-	736.72	736.72	-	736.72	-	736.72
Other Current Financial Assets	-	-	822.49	822.49	-	-	-	-
	229.16	-	40,049.03	40,278.19	-	2,865.09	-	2,865.09
Financial liabilities	-	-	-	-	-	-	-	-
Long term borrowings	-	-	-	-	-	-	-	-
Short term borrowings	-	-	9,316.61	9,316.61	-	-	-	-
Trade and other payables	-	-	17,105.60	17,105.60	-	-	-	-
Other Non-Current financial liabilities	-	-	4,996.49	4,996.49	-	4,996.49	-	4,996.49
Other Current financial liabilities	-	-	1,429.18	1,429.18	-	-	-	-
	-	-	32,847.88	32,847.88	-	4,996.49	-	4,996.49

* The fair value in respect of the unquoted equity investments is equal to the cost of the investments as per the contractual agreements.

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique
Fixed rates long term borrowings	The valuation model considers present value of expected payments discounted using an appropriate discounting rate.
Forward contracts	The fair value is determined using forward exchange rates at the reporting date.
Security Deposits	The valuation model considers present value of expected payments discounted using an appropriate discounting rate.
Interest rate swaps	Present value of the estimated future cash flows based on observable yield curves

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

i. Risk management framework

The Group Board of Directors has overall responsibility for the establishment and oversight of the Group Risk Management Policy framework. The Board of Directors have adopted an Enterprise Risk Management Policy framed by the Group, which identifies the risk and lays down the risk minimisation procedures. The Magement reviews the Risk Management Policies and systems on a regular basis to reflect changes in market conditions and the Group activities, and the same is reported to the Board of Directors periodically. Further, the Group, in order to deal with the future risks, has in place vrious methods / processes which have been imbibed in its organisational structure and proper internal controls are in place to keep a check on lapses, and the same are been modified in accordance witht th regular requirements.

The audit committee oversees how management monitors compliance with the Group Risk Management Policies and procedures, and reviews the adequacy of the Risk Management framework in relation to the risks faced by the Group. The audit committee is assisted in its oversight role by internal auditors.

ii. Credit risk

Credit risk is the risk of financial loss to the group if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables from customers and loans and advances.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables and loans and advances.

The group's exposure to credit risk is influenced mainly by the individual characteristics of each customer in which it operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the group grants credit terms in the normal course of business.

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the group's standard payment and delivery terms and conditions are offered. Further for domestic sales, the group segments the customers into Distributors and Others for credit monitoring.

The group maintains security deposits for sales made to its distributor For other trade receivables, the company individually monitors the sanctioned credit limits as against the outstanding balances. Accordingly, the group makes specific provisions against such trade receivables wherever required and monitors the same at periodic intervals.

The group monitors each loans and advances given and makes any specific provision wherever required.

The group establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables and loans and advances.

Impairment

At 31stMarch , 2019, the ageing of trade receivables was as follows.

(₹ in lakhs)

	31st March, 2019	**31st March, 2018**
Neither past due nor impaired	**15,094.80**	18,530.11
Past due 1–90 days	**11,741.21**	11,826.35
Past due 91–180 days	**2,415.40**	1,772.16
Past due 181–365 days	**1,471.59**	1,470.29
Past due 365 days	**1,046.15**	1,077.95
	31,769.15	34,676.86

Management believes that the unimpaired amounts which are past due are collectible in full.

(₹ in lakhs)

	Trade receivables Impairments	**Loans and advances**
Balance as at 1st April, 2017	696.78	52.05
Impairment loss recognised	475.72	-
Balance written back	(260.42)	-
Amounts written off	(244.58)	-
Balance as at 31st March, 2018	**667.50**	**52.05**
Impairment loss recognised	**618.66**	**-**
Balance written back	**(297.87)**	**-**
Amounts written off	**(121.45)**	**-**
Balance as at 31st March, 2019	**866.84**	**52.05**

Cash and cash equivalents:

The Group held Cash and Cash equivalents of ₹ 1,665.48 lakhs (Previous year: ₹ 2,041.04 lakhs). The cash and cash equivalents are held with bank counterparties with good credit ratings.

Derivatives:

The derivatives are entered into with bank. Counter parties with good credit rating.

Loans and Advances:

The Group held loan and advances of ₹ 4,570.14 lakhs as on 31st March 2019 (Previous year: ₹ 3,998.31 lakhs). The loans and advances are in nature of rent deposit paid to landloards, bank deposits with maturity more than Twelve months and others, the same are fully recoverable.

iii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

As of 31st March, 2019 and 31st March, 2018 the Group had unutilized credit limits from banks of ₹ 18,058.36 lakhs, ₹ 8,663.79 lakhs respectively.

Maturity profile of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹ in lakhs)

31st March, 2019	Contractual cash flows						
	Carrying amount	Total	Less than 6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Working Capital Borrowings	**701.49**	**701.49**	**701.49**	-	-	-	-
Trade and other payable	**10,049.80**	**10,049.80**	**10,049.80**	-	-	-	-
Other financial liabilities	**2,723.70**	**2,723.70**	**2,723.70**	-	-	-	-
Derivative financial liabilities							
Cross currency interest rate swaps	**5,186.62**	**5,186.62**	**216.13**	**533.92**	**1,271.23**	**3,165.34**	**-**
Forward exchange contracts used for hedging							
- Outflow	**3,328.92**	**3,328.92**	**3,328.92**	-	-	-	-
- Inflow		**-**					

(₹ in lakhs)

31st March 2018	Contractual cash flows						
	Carrying amount	Total	Less than 6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Working Capital Borrowings	9,316.61	9,316.61	9,316.61	-	-	-	-
Trade and other payable	14,010.77	14,010.77	14,010.77	-	-	-	-
Other financial liabilities	1,429.18	1,429.18	1,429.18	-	-	-	-
Derivative financial liabilities							
Forward exchange contracts used for hedging		-					
- Outflow	3,094.83	3,094.83	3,094.83	-	-	-	-
- Inflow	-	-	-	-	-	-	-

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to the financial liabilities which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of our investments. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

Currency risk

The Group is exposed to currency risk on account of its borrowings and other payables in foreign currency. The functional currency of the Group is Indian Rupee (₹). The Group uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date.

The currency profile of financial assets and financial liabilities as at 31st March, 2019, 31st March, 2018 are as below:

(₹ in lakhs)

	31st March, 2019			
	USD	EURO	GBP	CNY
Financial assets				
Trade and other receivables	**1,433.00**	**161.98**	**0.77**	**23.63**
Cash and Cash Equivalents	**2.33**	**-**	**-**	**-**
	1,435.33	**161.98**	**0.77**	**23.63**
Financial liabilities				
Trade and other payables	**1,710.50**	**36.98**	**27.15**	**-**
Forcasted purchase	**454.00**	**1,127.92**	**-**	**-**
Less: Forward contracts	**(2,164.02)**	**(1,164.90)**	**-**	**-**
	-	**-**	**27.15**	**-**
Net Exposure	**1,435.33**	**161.98**	**(26.38)**	**23.63**

(₹ in lakhs)

	31st March, 2018			
	USD	EURO	GBP	CNY
Financial assets				
Trade and other receivables	1,408.28	441.01	16.76	-
	1,408.28	441.01	16.76	-
Financial liabilities				
Trade and other payables	4,308.32	80.57	-	-
Forecasted Purchase	(3,094.83)	-	-	-
Less: Forward contracts	1,213.49	80.57	-	-
Net Exposure	194.78	360.45	16.76	-

The following significant exchange rates have been applied during the year.

Indian Rupee (₹)	Year-end spot rate	
	31st March, 2019	31st March, 2018
USD 1	**69.16**	65.17
EUR1	**77.66**	80.17
CNY1	**10.30**	10.36
GBP1	**90.50**	91.71

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Foreign Currency against the Indian Rupee (₹) at 31st March would have affected the measurement of financial instruments denominated in foreign currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	31st March, 2019		31st March, 2018	
	Profit or (Loss)		Profit or (Loss)	
Effect in INR	**Strengthening**	**Weakening**	Strengthening	Weakening
USD - 3% Movement	**43.06**	**(43.06)**	5.84	(5.84)
EUR - 3% Movement	**4.86**	**(4.86)**	10.81	(10.81)
GBP - 3% Movement	**(0.79)**	**0.79**	0.50	(0.50)
CNY - 3% Movement	**0.71**	**(0.71)**	-	-
	47.84	**(47.84)**	17.16	(17.16)

Interest rate risk:

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Company's interest rate risk arises from borrowings. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

(₹ in lakhs)

	31st March, 2019	31st March, 2018
Borrowings		
Fixed rate borrowings	-	-
Variable rate borrowings	**5,888.11**	9,316.61
Less: Interest rate swap	**(5,186.62)**	-
Total	**701.49**	9,316.61

Fair value sensitivity analysis for fixed-rate instruments

The Group does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

The Group manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Under theses swaps, the Group agrees with other parties to exchange, the difference between fixed contract rates and floating rates interest amounts calculated by reference to the agreed notional principal amounts.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

(₹ in lakhs)

	Profit or (loss)	
	100 bp increase	100 bp decrease
31st March, 2019	**(58.88)**	**58.88**
Variable-rate instruments	**51.87**	**(51.87)**
Cash flow sensitivity (net)	**(7.01)**	**7.01**
31st March, 2018		
Variable-rate instruments	(93.17)	93.17
Cash flow sensitivity (net)	(93.17)	93.17

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

48 Capital Management

For the purpose of the Group's capital management, capital includes issued capital and other equity reserves. The primary objective of the Group's Capital Management is to maximise shareholders value. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Group monitors capital using debt to equity ratio.

(₹ in lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Non-Current Borrowings	**4,441.81**	-
Current Borrowings	**701.49**	9,316.61
Current maturity of long term debt	**744.81**	-
Gross Debt	**5,888.11**	9,316.61
Total equity	**94,118.03**	84,857.61
Adjusted Gross debt to equity ratio	**0.06**	0.11

49. Employee Benefits

The Group contributes to the following post-employment defined benefit plans in India.

(i) Defined Contribution Plans:

The contributions to the Provident Fund and Family Pension Fund of certain employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

The Group recognised ₹ 691.85 lakhs (Previous year: ₹ 644.35 lakhs) Provident fund contributions in the Statement of Profit and Loss.

The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

(ii) Defined Benefit Plan:

A. Gratuity

The Group participates in the Employees Gratuity scheme, a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation / termination in terms of the provisions of the respective applicable Gratuity rules.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31st March, 2019. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(₹ in lakhs)

Particulars	Gratuity	
	31st March, 2019	31st March, 2018
Defined benefit obligation	**1,943.15**	1,772.70
Fair value of Plan Assets at the end of the year	**(1,748.97)**	(1,485.88)
Net Obligation at the end of the year	**194.18**	286.82

B. Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components

(₹ in lakhs)

	Gratuity					
	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) liability	
	31st March 2019	31st March 2018	**31st March 2019**	31st March 2018	**31st March 2019**	31st March 2018
Opening balance	**1,772.70**	1,562.14	**1,485.88**	1,226.69	**286.82**	335.45
Included in profit or loss		-	**121.34**	79.19	**(121.34)**	(79.19)
Current service cost	**221.71**	219.55	**-**	-	**221.71**	219.55
Past service cost	**-**	89.19	**-**	-	**-**	89.19
Interest cost (income)	**132.13**	118.48	**-**	-	**132.13**	118.48
	2,126.54	1,989.36	**1,607.22**	1,305.88	**519.32**	683.48
Included in OCI						
Remeasurement loss (gain):						
Actuarial loss (gain) arising from:	**-**	-	**-**	-	**-**	-
Demographic assumptions	**-**	-	**-**	-	**-**	-
Financial assumptions	**-**	-	**-**	-	**-**	-
Experience adjustment	**19.90**	(141.02)	**-**	-	**19.90**	(141.02)
Return on plan assets excluding interest income			**(38.25)**	-	**38.25**	-
	2,146.44	1,848.34	**1,568.97**	1,305.88	**577.47**	542.46
Other						
Contributions paid by the employer		-	**180.00**	180.00	**(180.00)**	(180.00)
Benefits paid	**(203.29)**	(75.64)		-	**(203.29)**	(75.64)
Closing balance	**1,943.15**	1,772.70	**1,748.97**	1,485.88	**194.18**	286.82
Represented by						
Net defined benefit asset		-			**(1,748.97)**	(1,485.88)
Net defined benefit liability		-			**1,943.15**	1,772.70
					194.18	286.82

C. Plan assets

Plan assets comprise the following:

(₹ in lakhs)

	31st March, 2019	31st March, 2018
Fund managed by Insurance Company	**1,748.97**	1,485.88
	1,748.97	1,485.88

D. Defined benefit obligations

i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	31st March 2019	31st March 2018
Discount rate	**7.70%p.a.- 11% p.a.**	7.70%- 10.50% p.a.
Expected Rate of Return on Plan Assets	**7.70%p.a.**	7.70%p.a.
Salary escalation rate	**7.00%p.a.- 10% p.a.**	7.70%- 10%p.a.
Employee Turnover	**5.00%p.a.- 10% p.a.**	5.00% - 10% p.a.
Mortality rate	**Indian Assured Lives Mortality (2006-08) Ult.**	Indian Assured Lives Mortality (2006-08) Ult.

Assumptions regarding future mortality have been based on published statistics and mortality tables.

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation as follows.

	31st March, 2019		31st March, 2018	
	Increase	**Decrease**	Increase	Decrease
Discount rate (1% movement)	**1,594.67**	**1,923.92**	1,451.09	1,749.98
Future salary growth (1% movement)	**1,923.39**	**1,592.40**	1,749.49	1,449.04
Rate of employee turnover (1% movement)	**1,750.41**	**1,743.07**	1,592.41	1,585.62

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

Expected future cash flows

The expected future cash flows in respect of gratuity as at 31st March, 2019 were as follows

Expected contribution

The expected contributions for defined benefit plan for the next financial year will be in line with the contribution for the year ended 31st March, 2019: ₹ 150 lakhs.

Expected future benefit payments

	₹ In lakhs
31st March, 2020	156.26
31st March, 2021	100.27
31st March, 2022	130.48
31st March, 2023	125.24
Thereafter	1,430.90

Compensated Absences:

The Compensated Absences is payable to all eligible employees for each day of accumulated leave on death or on resignation. Compensated Absences debited to Statement of Profit and Loss during the year amounts to ₹ 297.59 lakhs (Previous year: ₹ 230.36 lakhs) and is included in Note 30 - 'Employee benefits expenses'. Accumulated non-current provision for leave encashment aggregates ₹ 538.73 lakhs (Previous year: ₹ 536.65 lakhs) and current provision aggregates ₹ 380.43 lakhs (Previous year: ₹ 314.98 lakhs).

49. Hedge accounting

The Group's risk management policy is to hedge its estimated foreign currency exposure in respect of highly probable forecast purchases and foreign currency borrowings. The Holding Company uses forward exchange contracts to hedge its currency risk and cross currency interest rate swap to hedge its interest rate and currency risk related to foreign currency borrowings. Such contracts are generally designated as cash flow hedges.

The Holding Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The Company assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in the cash flows of the hedged item using the hypothetical derivative method.

a. Disclosure of effects of hedge accounting on financial position

i) Cash flow hedge - Forward exchange contracts

31st March, 2019 (₹ in lakhs)

Type of hedge and risks	**Currency**	**Nominal Value (Currency in Lakhs)**	**Carrying amount of hedging instrument (in INR)**		**Line item in the statement of financial position where the hedging instrument is included**	**Maturity date**	**Hedge ratio**	**Weighted Average strike price/ rate**	**Changes in fair value of the hedging instrument**	**Change in the value of hedged item used as the basis for recognising hedge effectiveness**
			Assets	**Liabilities**						
Cash flow hedge					**Liabilities**					
Forward and Option contracts	USD	29.95	-	52.43	Other current financial liabilities	April 2019 to June 2019	1:1	71.13	(52.43)	52.43
	EURO	30.00	21.37	-				78.88	21.37	(21.37)
Cross Currency Interest Rate Swap	USD	75.00		192.68	Other current financial liabilities and Other non-current financial liabilities	March 2023 to February 2024	1:1		(192.68)	192.68

31st March, 2018 (₹ in lakhs)

Type of hedge and risks	Currency	Nominal Value (Currency in Lakhs)	Carrying amount of hedging instrument (in INR)		Line item in the statement of financial position where the hedging instrument is included	Maturity date	Hedge ratio	Weighted Average strike price/ rate	Changes in fair value of the hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
			Assets	**Liabilities**						
Cash flow hedge					**Liabilities**					
Forward contracts	**USD**	56.22	-	13.37	Other current financial liabilities	April 2018 to June 2018	1:1	65.26	(13.37)	13.37

b. Disclosure of effects of hedge accounting on financial performance

(₹ in lakhs)

31st March, 2019	Change in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit or loss because of the reclassification
Cash flow hedge	(84.91)	-	7.24	Foreign exchange loss
31st March, 2018	Change in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit or loss because of the reclassification
Cash flow hedge	13.04	-	20.28	Foreign exchange loss

c. The following table provides a reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting

(₹ in lakhs)

Movements in cash flow hedging reserve	
Balance at 1st April 2017	(20.28)
Add : Changes in the fair value of effective portion of outstanding cash flow derivative (net of settlement)	19.94
Less : Amounts reclassified to profit or loss	-
Less: Deferred tax	(6.90)
As at 31st March, 2018	**(7.24)**
Add : Changes in the fair value of effective portion of outstanding cash flow derivative (net of settlement)	**(141.13)**
Less : Amounts reclassified to profit or loss	**-**
Less: Deferred tax	**56.22**
As at 31st March, 2019	**(92.15)**

51 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Holding Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

i) Profit attributable to Equity holders of Company

(₹ in lakhs)

	31st March, 2019	31st March, 2018
Profit attributable to equity holders of the Company:		
Continuing operations	**11,733.31**	12,346.96
Profit attributable to equity holders of the Company for basic earnings	**11,733.31**	12,346.96
Profit attributable to equity holders of the Company adjusted for the effect of dilution	**11,733.31**	12,346.96

ii) Weighted average number of ordinary shares

	31st March, 2018	31st March, 2017
Issued ordinary shares at April 1	**14,922,500**	14,922,500
Weighted average number of shares at 31st March for basic and Diluted EPS	**14,922,500**	14,922,500

iii) Basic and Diluted earnings per share in ₹

(Amount in ₹)

	31st March, 2019	31st March, 2018
Basic earnings per share	**78.63**	82.74
Diluted earnings per share	**78.63**	82.74

52. SEGMENT INFORMATION

Segment Wise Revenue, Results and Other Information

A) Business Segment:

The Group has organized businesses into 2 categories viz Plastics and Lifestyle Furniture, Furnishings and Accessories. Accordingly the Group has reported its segmental results for these categories.

(₹ in lakhs)

	Particulars	2018-19			2017-18		
		Plastics	**Lifestyle Furniture, Furnishings & Accessories**	**Total**	Plastics	Lifestyle Furniture, Furnishings & Accessories	Total
1	**Revenue from Operations**	**215,550.24**	**21,089.00**	**236,639.24**	196,352.17	21,477.98	217,830.15
	Less: Inter Segment Revenue	**402.87**		**402.87**	1,746.37		1,746.37
	Net Revenue from Operations	**215,147.37**	**21,089.00**	**236,236.37**	194,605.80	21,477.98	216,083.78
2	**Segment Result before Tax & interest**	**17,643.80**	**126.32**	**17,770.12**	19,553.03	440.13	19,993.16
	Less: Unallocated expense(Net of Unallocated Income)			**297.08**			728.79
	Operating Profit			**17,473.04**			19,264.37
	Less: Finance Costs			**1,583.76**			1,253.88
	Add: Exceptional Income			**-**			-
	Add/(Less): Prior Period Adjustment			**-**			-
	Profit Before Tax			**15,889.28**			18,010.49
	Less: Provision for Taxes(Net)			**4,825.77**			6,295.39
	Net Profit after Tax before share of profit of Joint ventures			**11,063.51**			11,715.10
	Share of net profit / (loss) from Joint venture accounted for using equity method			**705.93**			670.74
	Profit for the Year			**11,769.44**			12,385.84
	Less; Non Controlling Interests			**36.13**			38.88
	Profit for the Year			**11,733.31**			12,346.96
3	**Other Information**						
	Segment Assets	**111,474.13**	**10,625.71**	**122,099.84**	108,570.66	9,613.62	118,184.28
	Add: Unallocated Assets			**7,271.90**			6,633.13
	Total Assets			**129,371.74**			124,817.41
	Segment Liabilities	**22,503.30**	**3,658.40**	**26,161.70**	24,235.44	3,792.33	28,027.77
	Add: Minority Interest	**723.36**	**-**	**723.36**	723.71	-	723.71
		23,226.66	**3,658.40**	**26,885.06**	24,959.15	3,792.33	28,751.48
	Add: Unallocated Liabilities			**8,368.65**			11,208.32
	Total liabilities			**35,253.71**			39,959.80
	Capital Expenditure	**11,275.91**	**127.41**	**11,403.32**	10,289.47	52.43	10,341.90
	Depreciation and Amortisation	**4,826.56**	**339.64**	**5,166.20**	4,489.00	559.46	5,048.46
	Significant Non Cash Expenses other than Depreciation and Amortisation	**323.26**	**-**	**323.26**	303.77	-	303.77

The segment Revenues, Results, Assets and Liabilities include the respective amounts identifiable to each of the segment and amounts allocated on a reasonable basis.

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Holding Company.

B) **Geographical Segment:**

Although the Group's operations are managed by product area, we provide additional information based on geographies.

Sr. No.	Particulars	Year Ended 31st March, 2019			Year Ended 31st March, 2018		
		India	Rest of The World	Total	India	Rest of The World	Total
1	Segment Revenue(Net Sales)	**225,121.96**	**11,114.41**	**236,236.37**	203,667.85	12,415.93	216,083.78
2	Carrying cost of Segment Assets	**117,693.33**	**4,406.51**	**122,099.84**	113,107.63	5,076.65	118,184.28

C) Revenue from Major Customers

The Group is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

53. Investment in Joint Ventures

Name of the Joint Venture	Country of Incorporation	Percentage of Ownership Interest
Nilkamal Bito Storage Systems Private Limited.	India	50
Cambro Nilkamal Private Limited.	India	50

The Holding Company has no material Joint Ventures as at 31st March, 2019. The aggregate summarized financial information in respect of the Holding Company's immaterial Joint Ventures that is accounted for using the equity method is set forth below.

(₹ in lakhs)

Particulars	31st March, 2019	31st March, 2018
Carrying amount of the Company's interest in Joint Ventures	**4,983.12**	4,439.99
Company's share of profit in Joint Ventures	**705.93**	670.74
Company's share of other comprehensive income in Joint Venutres	**(5.09)**	4.13
Company's share of total comprehensive income in Joint Ventures	**700.83**	674.87

54. Additional Information to be given as required under Schedule III of the Companies Act 2013, of enterprises consolidated as Subsidiary and Joint Venture

(₹ in lakhs)

Sr. No.	Name of the Entity	31st March, 2019								31st March, 2018							
		Net Assets i.e Total Assets minus Total Liabilities		Share in Profit		Other Comprehensive Income		Total Comprehensive Income		Net Assets i.e Total Assets minus Total Liabilities		Share in Profit		Other Comprehensive Income		Total Comprehensive Income	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated Total Comprehensive income	Amount	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated Total Comprehensive income	Amount
	Parent																
	Nilkamal Limited	**90.56%**	**85,886.58**	**90.17%**	**10,613.03**	**96.02%**	**(122.94)**	**90.11%**	**10,490.09**	90.12%	77,127.24	91.41%	11,321.34	96.22%	105.26	91.45%	11,426.60
	Foreign Subsidiaries																
1	Nilkamal Eswaran Plastics Private Limited	**2.33%**	**2,210.77**	**0.80%**	**93.90**			**0.81%**	**93.90**	2.61%	2,235.38	0.92%	114.34			0.92%	114.34
2	Nilkamal Eswaran Marketing Private Limited	**0.09%**	**81.90**	**0.16%**	**19.07**			**0.16%**	**19.07**	0.08%	65.68	0.08%	9.43			0.08%	9.43
3	Nilkamal Crates and Bins FZE	**0.72%**	**681.06**	**1.86%**	**218.36**			**1.88%**	**218.36**	0.93%	797.74	1.05%	130.48			1.04%	130.48
	Indian Subsidiaries																
	Nilkamal Foundation	**0.29%**	**274.61**	**0.71%**	**83.03**			**0.71%**	**83.03**	0.22%	191.58	0.81%	100.63			0.81%	100.63
	Minority Interest																
1	Nilkamal Eswaran Plastics Private Limited	**0.73%**	**691.89**	**0.24%**	**28.41**			**0.24%**	**28.41**	0.82%	699.06	0.27%	33.85			0.27%	33.85
2	Nilkamal Eswaran Marketing Private Limited	**0.03%**	**25.86**	**0.05%**	**6.02**			**0.05%**	**6.02**	0.02%	20.74	0.02%	2.98			0.02%	2.98
3	Nilkamal Foundation	**0.01%**	**5.60**	**0.01%**	**1.69**			**0.01%**	**1.69**	0.00%	3.91	0.02%	2.05			0.02%	2.05
	Joint Venture																
	Nilkamal Bito Storage Systems Private Limited	**3.81%**	**3,617.67**	**2.57%**	**302.02**	**4.08%**	**(5.22)**	**2.55%**	**296.80**	4.01%	3,427.94	3.09%	383.09	3.42%	3.74	3.10%	386.83
	Cambro Nilkamal Private Limited	**1.44%**	**1,365.45**	**3.43%**	**403.91**	**-0.10%**	**0.13**	**3.47%**	**404.04**	1.18%	1,012.05	2.32%	287.65	0.36%	0.39	2.31%	288.04
	Total	**100.00%**	**94,841.39**	**100.00%**	**11,769.44**	**100.00%**	**(128.03)**	**100.00%**	**11,641.41**	**100.00%**	**85,581.32**	**100.00%**	**12,385.84**	**100.00%**	**109.39**	**100.00%**	**12,495.23**

The above figures are after eliminating intra group transactions and intra group balances as at 31st March, 2019.

55 Previous year figures have been re-group / reclassified wherever necessary.

AS PER OUR REPORT OF EVEN DATE ATTACHED.
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sadashiv Shetty
Partner
Membership No: 048648

Mumbai
May 11, 2019

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF NILKAMAL LIMITED
CIN: L25209DN1985PLC000162

Sharad V. Parekh
Managing Director
DIN: 00035747

Hiten V. Parekh
Joint Managing Director
DIN: 00037550

Paresh B. Mehta
Chief Financial Officer
Membership No. 44670

Priti P. Dave
Company Secretary
Membership No. 19469

Mumbai
May 11, 2019

Salient features of the financial statements of Subsidiaries / Joint Ventures
[Pursuant to the first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014 -AOC-1]
Part "A" : Subsidiaries

(₹ in lakhs)

Sr. No.	Name of Subsidiary	Nilkamal Eswaran Plastics Private Limited, Sri Lanka	Nilkamal Eswaran Marketing Private Limited, Sri Lanka	Nilkamal Crates and Bins - FZE (Ajman - UAE)	Nilkamal Foundation
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	1st April 2018 to 31st march 2019	1st April 2018 to 31st march 2019	1st April 2018 to 31st march 2019	1st April 2018 to 31st march 2019
2	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	1 SLR= ₹ 0.38465	1 SLR= ₹ 0.38465	1 AED=₹ 18.72230	INR
3	Share Capital	58.47	0.00	34.64	0.01
4	Reseve and Surplus	2,152.30	81.89	646.43	280.21
5	Total Assets	3,621.41	295.47	966.65	380.68
6	Total Liabilities (Excluding Minority interest)	714.74	187.69	285.58	100.46
7	Investment other than investment in Subsidiary	0.01	-	-	-
8	Turnover, Income and Other Income	3,871.19	250.87	2,745.18	349.29
9	Profit Before Taxation	154.12	43.99	218.36	84.73
10	Provision for Taxation (incl Deferred Tax)	30.57	18.91	-	-
11	Profit after Tax	123.55	25.09	218.36	84.73
12	Dividend	-	5.85	384.77	-
13	% of shareholding	76.00%	76.00%	100.00%	98.00%

Part "B" : Joint Ventures

Sr. No.	Name of Joint Ventures	Nilkamal BITO Storage System Private Limited, India	Cambro Nilkamal Private Limited, India
1	Lastest audited Balance Sheet Date	31st March 2019	31st March 2019
2	Shares of Associate/Joint Ventures held by the company on the year end	50.00%	50.00%
3	No. of Share fully paid up of ₹ 10 each	4,400,000	210,000
4	Amount of Investment in Associates/Joint Venture	2,215.50	200.50
5	Extend of Holding %	50.00%	50.00%
6	Description of how there is significant influence	Joint Venture	Joint Venture
7	Reason why the Joint Venture is not consolidated	Consolidated	Consolidated
8	Networth attributable to Shareholding as per latest audited Balance Sheet (₹ in lakhs)	3,617.67	1,365.45
9	Profit for the year		
a	Consider in Consolidation	315.92	418.86
b	Not consider in Consolidation	Nil	Nil

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF
NILKAMAL LIMITED
CIN: L25209DN1985PLC000162

Sharad V. Parekh
Managing Director
DIN: 00035747

Hiten V. Parekh
Joint Managing Director
DIN: 00037550

Paresh B. Mehta
Chief Financial Officer
Membership No. 44670

Priti P. Dave
Company Secretary
Membership No. 19469

Mumbai
May 11, 2019

NILKAMAL LIMITED

CIN: L25209DN1985PLC000162

Regd. Office: Survey No. 354/2 and 354/3, Near Rakholi Bridge, Silvassa – Khanvel Road, Vasona, Silvassa – 396 230, Union Territory of Dadra and Nagar Haveli.

Phone: 0260-2699082, Fax: 0260-2699023.
Email: investor@nilkamal.com, Website: www.nilkamal.com

THIRTY THIRD ANNUAL GENERAL MEETING ON FRIDAY, JUNE 28, 2019

PROXY FORM

Name of the member(s): ______________________

Registered Address: ______________________

____

E-mail ID: ______________________

Folio No. / DP ID/ Client ID: ______________________

I/We, being the member(s) of Nilkamal Limited, holding ____________shares of the Company, hereby appoint:

1) Name ______________ Address ______________
Email ID ______________ Signature ______________ or failing him ;

2) Name ______________ Address ______________
Email ID ______________ Signature ______________ or failing him ;

3) Name ______________ Address ______________
Email ID ______________ Signature ______________ or failing him ;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd Annual General Meeting of the Company, to be held on Friday, June 28, 2019 at 12.00 noon at Survey No. 354/2 and 354/3, Near Rakholi Bridge, Silvassa – Khanvel Road, Vasona, Silvassa – 396 230, Union Territory of Dadra and Nagar Haveli and at any adjournment thereof in respect of following resolutions:

Ordinary Business:
1. Consideration and adoption of the Audited Financial Statements including Audited Consolidated Financial Statement for the year ended March 31, 2019, together with the Reports of the Board of Directors and the Auditors thereon.
2. Declaration of dividend on equity shares for year ended March 31, 2019.
3. Re-appointment of Mr. Hiten V. Parekh, who retires by rotation.
Special Business:
4. Ratification of remuneration payable to Cost Auditors for the financial year 2019-2020.
5. Approval for continuation of the existing tenure of directorship of Mr. K. Venkataramanan, as an Independent Director of the Company after attaining the age of 75 years.
6. Re-appointment of Mr. Mahendra V. Doshi as an Independent Director for a period of five years.
7. Re-appointment of Mr. Mufazzal S. Federal as an Independent Director for a period of five years.
8. Re-appointment of Mr. S. K. Palekar as an Independent Director for a period of five years.
9. Continuation of payment of remuneration to Executive Directors who are Promoters in excess of threshold limits as per SEBI (LODR) (Amendment) Regulations, 2018.

Signed this __________ day of ____________, 2019.

Signature of Member: ______________________

Signature of the Proxy holder(s) ______________________

Affix Revenue Stamp ₹ 1/-

Note: 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 33rd Annual General Meeting.

NILKAMAL LIMITED

CIN: L25209DN1985PLC000162
Regd. Office: Survey No. 354/2 and 354/3, Near Rakholi Bridge, Silvassa – Khanvel Road, Vasona, Silvassa – 396 230, Union Territory of Dadra and Nagar Haveli.
Phone: 0260-2699082, **Fax:** 0260-2699023.
Email: investor@nilkamal.com ; **Website** : www.nilkamal.com

THIRTY THIRD ANNUAL GENERAL MEETING ON FRIDAY, JUNE 28, 2019

ATTENDANCE SLIP

Serial No.:

Regd. Folio / DP ID / Client ID	
Name and address of the Member(s)	
Joint Holder 1 Joint Holder 2	
No. of Equity Shares	

I / We hereby record my / our presence at the 33rd Annual General Meeting of the Company, to be held on Friday , June 28, 2019 at 12.00 noon at Survey No. 354/2 and 354/3, Near Rakholi Bridge, Silvassa – Khanvel Road, Vasona, Silvassa – 396230, Union Territory of Dadra and Nagar Haveli.

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Member's / Proxy's name in Block Letters Member's / proxy's Signature

PLEASE FILL THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

ELECTRONIC VOTING PARTICULARS

Event No.	User ID	*Default PAN/Sequence No.
190061		

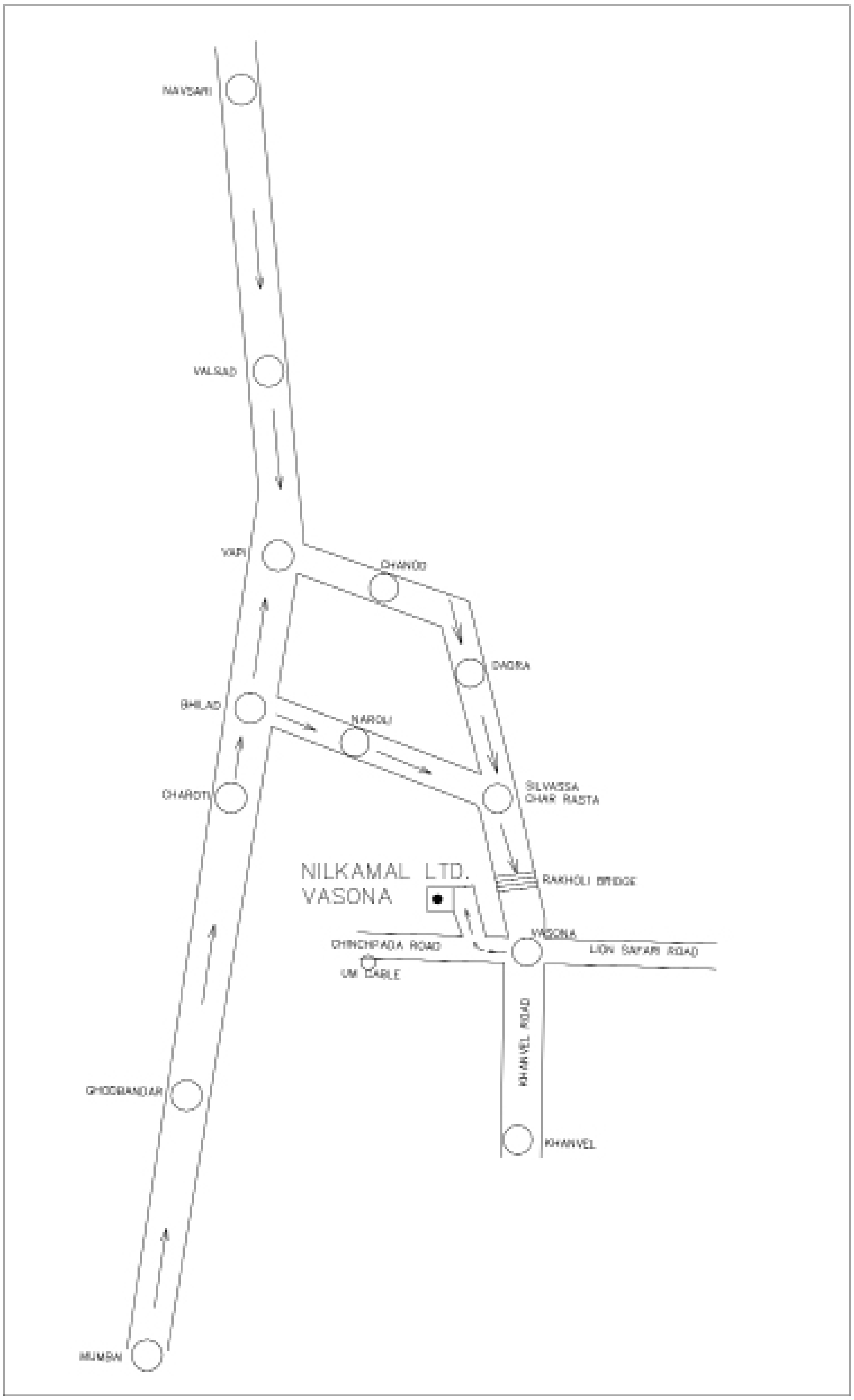
* Only Members who have not updated their PAN with the Company / Depository Participant shall use the default PAN in the PAN Field.

Note:

I) Please read the Instructions printed under the Note No. 16 to the Notice of the 33rd Annual General Meeting of the Company to be held on June 28, 2019. The voting period starts on Tuesday, June 25, 2019 at 10.00 a.m. and ends on Thursday, June 27, 2019 at 5.00 p.m. The voting module shall be disabled by LIIPL for voting thereafter.

II) Proxy Form is attached to the Annual Report.

ROUTE MAP


NAVSARI
VALSAD
VAPI
CHANOD
DADRA
BHILAD
NAROLI
CHAROTI
SILVASSA
CHAR RASTA
NILKAMAL LTD.
VASONA
RAKHOLI BRIDGE
VASONA
CHINCHPADA ROAD
LION SAFARI ROAD
UM CABLE
KHANVEL ROAD
GHODBANDAR
KHANVEL
MUMBAI

The Walk for Water

Millions of rural Indian women spend upto 25% of their day head-loading water for their family's basic needs. This causes serious, chronic health issues & severe complications during childbirth. Right from childhood, little girls are also forced into this practice impacting education & development.

The Nilkamal Wello Water Wheel is an innovation that helps women carry double the water in just half the time through the Rolling Water Technology. It is an affordable product with 45L capacity & tested over 2000 kilometres of rough terrain.

Nilkamal along with Wello, has provided a large number of wheels by partnering with NGOs and corporates since February 2017.

To contribute, you can email us at:
Corporate: csr.products@nilkamal.com
Individual: product.enquiry@nilkamal.com